

ALGIERS CHARTER SCHOOLS ASSOCIATION
FINANCIAL REPORT
For the Year Ended June 30, 2011

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date **FEB 08 2012**

ALGIERS CHARTER SCHOOLS ASSOCIATION

TABLE OF CONTENTS

FINANCIAL SECTION

Independent Auditor's Report	1
Required Supplementary Information – Part I	
Management's Discussion and Analysis.....	3
Basic Financial Statements	
Government-Wide Financial Statements:	
Statement of Net Assets.....	6
Statement of Activities.....	7
Fund Financial Statements:	
Governmental Funds:	
Balance Sheet.....	8
Reconciliation of the Balance Sheet to the Statement of Net Assets.....	9
Statement of Revenues, Expenditures, and Changes in Fund Balances.....	10
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities.....	11
Notes to Financial Statements.....	12
Required Supplementary Information – Part II	
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Harte School Fund Budget and Actual.....	22
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Karr School Fund Budget and Actual.....	23

SINGLE AUDIT SECTION

Independent Auditor's Reports and Information Required by the Single Audit Act And Government Auditing Standards	
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	24

ALGIERS CHARTER SCHOOLS ASSOCIATION

TABLE OF CONTENTS (CONTINUED)

SINGLE AUDIT SECTION (CONTINUED)

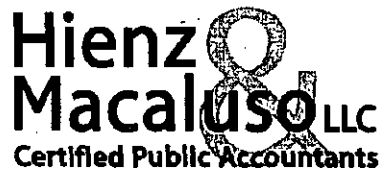
Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Federal Award Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133 and on the Schedule of Expenditures Of Federal Awards.....	26
Schedule of Expenditures of Federal Awards.....	28
Notes to Schedule of Expenditures of Federal Awards.....	29
Schedule of Findings and Questioned Costs.....	30
Summary Schedule of Prior Audit Findings and Questioned Costs.....	32

PERFORMANCE STATISTICAL DATA

Schedules Required by State Law

Independent Accountant's Report on Applying Agreed-Upon Procedures	33
Schedule 1: General Fund Instructional and Support Expenditures and Certain Local Revenue Sources for the Year Ended June 30, 2011.....	36
Schedule 2: Education Levels of Public School Staff.....	37
Schedule 3: Number and Type of Public Schools.....	38
Schedule 4: Experience of Public Principals, Assistant Principals, and Full Time Classroom Teachers.....	39
Schedule 5: Public School Staff Data.....	40
Schedule 6: Class Size Characteristics.....	41
Schedule 7: Louisiana Educational Assessment Program (LEAP) for the 21 st Century.....	42
Schedule 8: Graduation Exit Exam for the 21 st Century.....	43
Schedule 9: Integrated Louisiana Educational Assessment Program (ILEAP).....	44

FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

Board of Directors of
Algiers Charter Schools Association
New Orleans, Louisiana

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Algiers Charter Schools Association, ("ACSA") (A Nonprofit Organization and a component unit of Orleans Parish School Board), as of and for the year ended June 30, 2011, which collectively comprise ACSA's basic financial statements as listed in the table of contents. These financial statements are the responsibility of ACSA's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement position. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of ACSA as of June 30, 2011, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 28, 2011 on our consideration of ACSA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3 through 5 and 22 and 23, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise ACSA's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards on page 28 is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements of ACSA. The Schedule of Expenditures of Federal Awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Hienz & Macaluso, LLC

Metairie, LA

December 28, 2011

ALGIERS CHARTER SCHOOLS ASSOCIATION
Management Discussion and Analysis
For the Year Ended June 30, 2011

Algiers Charter School Association ("ACSA") management's discussion and analysis is intended to assist the reader in focusing on significant financial issues, provide an overview of the financial activity of the two schools which it operates, identify ACSA's financial position and its ability to address the next and subsequent years' challenges. It also identifies any material deviations from the financial plan and identifies individual school issues or concerns. This is a requirement of the Governmental Accounting Standards Board in their Statement No. 34 *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments* and is intended to provide the financial results for the year ended June 30, 2011. The following is an illustration of how these financial reports are presented.

GASB 34 requires the presentation of two basic types of financial statements: Government-Wide Financial Statements and Fund Financial Statements.

Government- Wide Financial Statements

The government-wide financial statements provide a perspective of ACSA as a whole. These statements use the full accrual basis of accounting similar to private sector companies. There are two government-wide statements: the Statement of Net Assets and the Statement of Activities.

The Statement of Net Assets combines and consolidates governmental funds' current financial resources with capital assets and long-term obligations, regardless of whether they are currently available or not.

Consistent with the full accrual basis method of accounting the Statement of Activities accounts for current year revenues and expenses regardless of when cash is received or paid. The intent of this statement is to summarize and simplify the user's analysis of the costs of various school services.

Fund Financial Statements

The fund statements are similar to financial presentations of typical governmental agencies of focusing on ACSA's Major Funds. The fund statements are reported using the modified accrual accounting method. Under this basis of accounting, revenues are recorded when received except where they are measurable and available and therefore represent resources that may be appropriated. Expenditures are accounted for in the period that goods and services are used in school programs. In addition, capital asset purchases are expensed and not recorded as assets. Fund types include the General Fund, Special Revenue funds and a Fiduciary Fund. The General Fund is used primarily to account for the general education requirements of the ACSA. Its revenues are derived from state and federal grants. The Special Revenue funds are used to account for specific revenues that are legally restricted to expenditures for a particular purpose. The Fiduciary Fund accounts for assets held by the ACSA in a trustee capacity as an agent for various student groups and parents.

ALGIERS CHARTER SCHOOLS ASSOCIATION
Management Discussion and Analysis
For the Year Ended June 30, 2011

TABLE 1
NET ASSETS

ASSETS		
Current and other assets	\$	7,793,248
Capital assets, net		692,119
Total Assets		<u>8,485,367</u>
LIABILITIES		
Current liabilities		1,707,549
Non-current liabilities		-
Total Liabilities		<u>1,707,549</u>
NET ASSETS		
Invested in capital assets, net of related debt		692,119
Unrestricted		6,085,699
Total Net Assets	\$	<u><u>6,777,818</u></u>

TABLE 2
CHANGES IN NET ASSETS

REVENUE		
Program Revenues:		
Charges for Services	\$	60,932
Operating grants and contributions		3,313,395
General Revenues:		
Minimum Foundation Program		12,045,751
Contributions and donations		7,225
Loss on disposal of assets		(43,253)
Miscellaneous revenue		91,297
Interest and investment earnings		2,201
Total Revenues		<u>15,477,548</u>
EXPENSE		
Instruction:		
Regular		6,129,464
Special Education		1,137,403
Other		563,333
Special Programs		758,485
Support Services:		
Student Services		847,847
Instructional Staff Support		966,470
General Administration		223,893
School Administration		1,582,651
Business Services		239,365
Operation and maintenance of plant		1,225,158
Student transportation services		883,481
Central Services		512,474
Food service		534,554
Total Expenses		<u>15,604,578</u>
Decrease in Net Assets		<u>(127,030)</u>
Net Assets, Beginning of Year, as previously stated		6,455,765
Prior Period Adjustment		<u>449,083</u>
Net Assets, Beginning of Year, as restated		<u>6,904,848</u>
Net Assets, End of Year	\$	<u><u>6,777,818</u></u>

ALGIERS CHARTER SCHOOLS ASSOCIATION
Management Discussion and Analysis
For the Year Ended June 30, 2011

Minimum Foundation Program

A significant portion of the state funding to ACSA is the Minimum Foundation Program (MFP). The MFP is funding from the state and local government for each student and is established annually. ACSA's MFP funding was \$12,045,751 for the 2010-2011 school year.

Title I Grant

This grant is a federally funded grant that is passed through the State Board of Education to help local schools improve the teaching and learning of children *failing, or most at-risk of failing, to meet* challenging state academic standards. As of June 30, 2011, \$997,041 was expended and received.

Economic Factors and Next Year's Budget

In the 2011/2012 School year, ACSA expects a projected combined enrollment of 1,613 students for Alice M. Harte Elementary and Edna Karr Senior High.

The majority of revenues are from the Minimum Foundation Program (MFP). The projected MFP funding for the 2011/2012 school year, which is based on student count, should total approximately \$12.9 million. Based on information received from the state, ACSA anticipates receiving federal grants for the 2011/2012 school year totaling \$3.3 million. ACSA will budget expenses according to the projected revenues however ACSA expects to make adjustments as the actual revenues change. ACSA plans to have little or no surplus at June 30, 2012. ACSA anticipates that while they will have to expend these funds throughout the year, they will be seeking reimbursement during the school year on a monthly and quarterly basis as opposed to claims at the end of the year.

Contacting ACSA's Financial Management

While the financial report is designed to provide full and complete disclosure of the financial condition and operation of ACSA, citizens groups, tax payers, parents, students, and other parish officials, investors or creditors may need further details. To obtain such details, please contact Algiers Charter Schools Association, 3712 MacArthur, Suite 100A, New Orleans, LA 70114, or by calling (504) 302-7000 during regular office hours, Monday through Friday, 9:00 a.m. to 5:00 p.m., Central Standard Time, or e-mail at Rena.Montegut@theacsa.org.

BASIC FINANCIAL STATEMENTS

ALGIERS CHARTER SCHOOLS ASSOCIATION
STATEMENT OF NET ASSETS
June 30, 2011

	<u>Governmental Activities</u>
<u>ASSETS</u>	
Cash and cash equivalents	4,964,476
Receivables:	
Intergovernmental	2,345,654
Other	480,983
Prepaid expenses	35
Deposits	2,100
Invested in capital assets, net of related debt	<u>692,119</u>
Total assets	<u>8,485,367</u>
<u>LIABILITIES</u>	
Accounts payable	90,274
Accrued expenses	1,132,430
Due to pooled cash	45,069
Due to other governments	73,860
Due to other agencies	338,193
Deferred Revenue	<u>27,723</u>
Total liabilities	<u>1,707,549</u>
<u>NET ASSETS</u>	
Invested in capital assets, net of related debt	692,119
Unrestricted	<u>6,085,699</u>
Total net assets	<u>6,777,818</u>

The accompanying notes are an integral part of these financial statements.

ALGIERS CHARTER SCHOOLS ASSOCIATION
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2011

Functions/Programs	Expenses	Program Revenues		Net (Expense)
		Charges for Services	Operating Grants	Revenue and
				Changes in
				Net Assets
				Governmental
				Activities
Governmental Activities:				
Instruction:				
Regular	\$ 6,129,464	\$ -	\$ 1,094,102	(5,035,362)
Special Education	1,137,403	-	131,803	(1,005,600)
Other	563,333	-	127,417	(435,916)
Special Programs	758,485	-	733,125	(25,360)
Support Services:				
Student Services	847,847	-	34,334	(813,513)
Instructional Staff Support	966,470	-	568,997	(397,473)
General Administration	223,893	-	35,744	(188,149)
School Administration	1,582,651	-	154,656	(1,427,995)
Business Services	239,365	-	4,398	(234,967)
Plant Services	1,225,158	-	51,533	(1,173,625)
Student transportation services	883,481	-	709	(882,772)
Central Services	512,474	-	32,315	(480,159)
Food Services	534,554	60,932	344,262	(129,360)
Total governmental activities	\$ 15,604,578	\$ 60,932	\$ 3,313,395	\$ (12,230,251)

General Revenues:

Grants and contributions not restricted to specific purposes:

Minimum Foundation Program	12,045,751
Contributions & donations	7,225
Miscellaneous Revenue	91,297
Gain (loss) on disposal of assets	(43,253)
Interest Income	2,201

Total general revenues 12,103,221

Change in net assets (127,030)

Net assets, beginning of year, as previously stated 6,455,765

Prior Period Adjustment 449,083

Net assets, beginning of year, as restated 6,904,848

Net assets, ending of year \$ 6,777,818

The accompanying notes are an integral part of these financial statements.

ALGIERS CHARTER SCHOOLS ASSOCIATION
BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2011

	School Funds			Special Revenue Funds				Interfund Eliminations	Total Governmental Funds
	Central Office	Harte	Karr	Central Office	Harte	Karr			
ASSETS									
Cash and cash equivalents	\$ 4,964,476	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,964,476
Receivables:									
Grants	-	-	-	8,240	856,082	1,481,332	-	-	2,345,654
Other	393,541	18,772	68,670	-	-	-	-	-	480,983
Due from - pooled cash	-	3,023,312	4,246,090	8,060	13,872	-	(7,291,334)	-	-
Prepaid expenses	35	-	-	-	-	-	-	-	35
Deposits	-	1,050	1,050	-	-	-	-	-	2,100
Total Assets	\$ 5,358,052	\$ 3,043,134	\$ 4,315,810	\$ 16,300	\$ 869,954	\$ 1,481,332	\$ (7,291,334)	\$ -	\$ 7,793,248
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable	\$ 3,694	\$ 15,766	\$ 35,469	\$ 7	\$ 557	\$ 34,781	\$ -	\$ -	\$ 90,274
Accrued expenditures	1,132,430	-	-	-	-	-	-	-	1,132,430
Due to - pooled cash	4,883,388	-	-	47,748	900,006	1,505,261	(7,291,334)	-	45,069
Due to other governments	-	32,661	41,199	-	-	-	-	-	73,860
Due to other agencies	338,193	-	-	-	-	-	-	-	338,193
Deferred Revenue	-	5,501	-	-	5,000	17,222	-	-	27,723
Total Liabilities	6,357,705	53,928	76,668	47,755	905,563	1,557,264	(7,291,334)	-	1,707,549
Fund balances									
Restricted	-	5,501	-	-	50,000	-	-	-	55,501
Committed	-	83,309	93,966	-	4,021	15,011	-	-	196,307
Unassigned	(999,653)	2,900,396	4,145,176	(31,455)	(89,630)	(90,943)	-	-	5,833,891
Total Fund Balances	(999,653)	2,989,206	4,239,142	(31,455)	(35,609)	(75,932)	-	-	6,085,699
Total Liabilities and Fund Balances	\$ 5,358,052	\$ 3,043,134	\$ 4,315,810	\$ 16,300	\$ 869,954	\$ 1,481,332	\$ (7,291,334)	\$ -	\$ 7,793,248

The accompanying notes are an integral part of these financial statements.

**ALGIERS CHARTER SCHOOLS ASSOCIATION
RECONCILIATION OF THE BALANCE SHEET-
GOVERNMENTAL FUNDS TO THE STATEMENT OF NET ASSETS
For the Year Ended June 30, 2011**

Amounts reported for governmental activities in the Statement of Net Assests
are different because:

Fund Balances, Total Governmental Funds at June 30, 2011		\$	6,085,699
Cost of capital assets at June 30, 2011	2,039,100		
Less accumulated depreciation as of June 30, 2011	<u>1,346,981</u>		692,119
Long-term liabilities at June 30, 2011			
Compensated absences payable			<u>-</u>
Net Assets at June 30, 2011		\$	<u><u>6,777,818</u></u>

The accompanying notes are an integral part of these financial statements.

ALGIERS CHARTER SCHOOLS ASSOCIATION
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2011

	School Funds			Special Revenue Funds			Total Governmental Funds
	Central Office	Harte	Karr	Central Office	Harte	Karr	
REVENUES							
State public school funding	\$ -	\$ 5,066,853	\$ 6,905,819	\$ -	\$ 30,139	\$ 42,940	\$ 12,045,751
Other state funding	-	1,411	8,405	-	24,705	40,597	75,118
Federal Grants	-	-	-	56,303	1,153,958	1,601,755	2,812,016
School food reimbursement	-	-	-	-	250,466	175,796	426,262
Donations and contributions	5,228	1,071	926	-	-	-	7,225
Interest income	2,201	-	-	-	-	-	2,201
Other revenue	11,848	13,875	12,623	-	62,190	51,692	152,228
Total Revenues	19,277	5,083,210	6,927,773	56,303	1,521,458	1,912,780	15,520,801
EXPENDITURES							
Salaries and benefits	650,081	3,549,712	4,546,775	1,368	1,104,698	1,432,581	11,285,215
Professional and technical services	135,230	150,343	279,023	10,313	40,635	116,999	732,543
Travel	8,903	28,879	66,838	2,192	8,075	15,646	130,533
Supplies	30,827	103,988	267,087	31,138	81,702	108,221	622,963
Utilities	22,739	79,460	154,955	-	9,955	10,831	277,940
Rent	46,748	12,072	7,481	-	378	10,378	77,057
Insurance	1,557	20,629	30,017	-	1,788	-	53,991
Repairs and maintenance	733	103,966	265,938	-	3,885	5,861	380,383
Food Service	-	-	-	-	261,334	235,481	496,815
Transportation	-	368,045	490,248	353	111	246	859,003
Other	122,112	135,707	175,896	10,030	8,897	7,336	459,978
Total Expenditures	1,018,930	4,552,801	6,284,258	55,394	1,521,458	1,943,580	15,376,421
Excess (Deficiency) of Revenues Over (Under) Expenditures	(999,653)	530,409	643,515	909	-	(30,800)	144,380
Net Changes in Fund Balances	(999,653)	530,409	643,515	909	-	(30,800)	144,380
Fund Balances, Beginning of Year, as previously stated	(4,214,842)	4,296,694	5,972,572	(32,364)	(35,609)	(45,132)	5,941,319
Prior Period Adjustment	4,214,842	(1,837,897)	(2,376,945)	-	-	-	-
Fund Balances, as restated	-	2,458,797	3,595,627	(32,364)	(35,609)	(45,132)	5,941,319
Fund Balances (Deficit), End of Year	\$ (999,653)	\$ 2,989,206	\$ 4,239,142	\$ (31,455)	\$ (35,609)	\$ (75,932)	\$ 6,085,699

The accompanying notes are an integral part of these financial statements.

ALGIERS CHARTER SCHOOLS ASSOCIATION
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCE-
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2011

Amounts reported for governmental activities in the Statement of Activities are different because

Total net change in fund balances - Governmental Funds	\$	144,380
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Governmental Funds report capital outlays as expenditures.

However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Loss on disposal of asset	43,253	
Capital outlays	120,141	
Depreciation expense	<u>(434,804)</u>	(271,410)

In the Statement of Activities, certain operating expenses are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (amounts actually paid).

Compensated absences earned exceeded the amounts used by

Change in Net Assets of Governmental Activities	\$	<u>(127,030)</u>
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The accompanying notes are an integral part of these financial statements.

ALGIERS CHARTER SCHOOLS ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Algiers Charter Schools Association (“ACSA”) have been prepared in conformity with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies are described below.

1. REPORTING ENTITY

The Orleans Parish School Board (“OPSB”) authorized by the Charter School Demonstration Programs Law and approved by the State Board of Elementary and Secondary Education (“BESE”), granted to ACSA, a nonprofit organization organized under the laws of the State of Louisiana and exempt from taxation under Section 501(c)(3) of the Internal Revenue Code, charters to operate one high school and one elementary school. The original five (5) year charter commencing on November 1, 2005 was renewed by BESE in January of 2011. The renewed charters are effective for four (4) years expiring June 15, 2015.

As authorized by the operating agreement between OPSB and ACSA, ACSA operates the following schools:

Alice M. Harte Elementary
Edna Karr Senior High

Although the schools listed above are the responsibility of ACSA, ACSA is recognized as a component unit of OPSB, as defined by Government Accounting Standards Board Statement No. 14, as amended by Statement No. 39. The accompanying financial statements present information only on the funds maintained by ACSA and do not present information on the OPSB.

In addition to the two (2) schools operated under the charter agreement with OPSB, ACSA operates seven (7) schools under a charter agreement with BESE. These seven (7) schools, Algiers Technology Academy, Martin Behrman Elementary, Dwight D. Eisenhower Elementary, William J. Fischer Elementary, McDonogh #32 Elementary, Harriet R. Tubman Elementary, and O. Perry Walker Senior High, are reported separately. Because the Central Office provides services to all nine (9) charter schools, these funds are allocated between the two entities based on the attendance of the various schools.

2. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) display information about the reporting entity as a whole, except for the fiduciary activities of ACSA. Essentially, the effect of interfund activity has been removed from these statements.

ALGIERS CHARTER SCHOOLS ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (CONTINUED)

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. OPSB funding and other items not meeting the definition of program revenues are reported as *general revenues*.

The fund financial statements are used by ACSA to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain ACSA functions and activities. ACSA reports the following fund types:

Governmental funds:

The General Fund is ACSA's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditures for a particular purpose. ACSA reports a special revenue fund for each school under its operation.

3. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the fiduciary fund financial statements (except agency funds which do not have a measurement focus). Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, ACSA considers revenues to be available if they are collected within 60 days after the fiscal year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

**ALGIERS CHARTER SCHOOLS ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION (CONTINUED)

The focus of fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. At June 30, 2011, the general fund and all special revenue funds were major funds.

When both restricted and unrestricted resources are available for use, it is ACSA's policy to use restricted resources first, then unrestricted resources as they are needed.

4. BUDGETARY ACCOUNTING

Budget Policies – Prior to the beginning of each year, an annual operating budget is prepared on the modified accrual basis for the General and Special Revenue Funds, the only fund types having legally adopted annual budgets.

The Director, in consultation with the staff, prepares ACSA's annual operating budget. The budget is based on the expected OPSB allocated revenues and other projected revenues for pupil expenditures. The Director presents the budget to ACSA's Board of Directors for review and revision. Finally, at an open meeting of the Board, the proposed budget is presented. The Board adopts the operating budget.

If, during the course of the fiscal year, it becomes evident that the estimated revenues, expenditures or ending fund balance may vary, then the Director shall inform ACSA's Board of such variances. Based on the information submitted, the Board of Directors of ACSA will adopt an amended budget and will seek ways to generate additional revenues, if necessary.

All appropriations lapse at fiscal year-end.

The budget data is reflected in the schedules of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual, (see pages 22 to 23).

5. CASH AND CASH EQUIVALENTS

Cash includes the amounts in demand deposits and interest – bearing demand deposits. Cash equivalents include amounts in time deposits with the original maturities of ninety (90) days or less.

6. INTERFUND TRANSACTIONS

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as "due to and from pooled cash". Short-term interfund loans are reported as "interfund receivables and

ALGIERS CHARTER SCHOOLS ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

6. INTERFUND TRANSACTIONS (CONTINUED)

payables". Long-term interfund loans (noncurrent portion) are reported as "advances from and to other funds". Interfund receivables and payables between funds within governmental activities are eliminated in the statement of net assets.

7. CAPITAL ASSETS

Capital assets are reported in the government-wide financial statements. Capital assets are defined by ACSA as assets with an initial individual cost of more than \$5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

Depreciation on all capital assets is calculated on the straight-line method over the following estimated useful lives:

<u>Asset Description</u>	<u>Asset Life</u>
Building and Improvements	20 to 50
Office Equipment	4 to 10

In the fund financial statements, capital assets used in governmental fund operations are accounted for as property expenditures of the governmental fund upon acquisition. The costs of normal maintenance and repairs that do not add to the assets or materially extend assets' lives are not capitalized. If the charter agreement of ACSA is revoked or ACSA otherwise ceases to operate, all assets purchased with any public funds become the property of the OPSB.

9. FUNDING SOURCES

ACSA receives its support primarily from the Louisiana State Department of Education and the United States Department of Education.

Irrevocable promises to give and outright contributions are recorded as revenue on the accrual basis as they are received, and allowances are provided for promises to give estimated to be uncollectible. Promises to give and contributions are principally received from corporate, foundation, and individual donors around the United States. Both promises to give and contributions are considered available for unrestricted use unless specifically restricted by donors. Irrevocable promises to give which relate to a subsequent year are recorded as receivables and temporarily restricted net assets in the year the commitment is received. Contributions whose donor restrictions are met in the same reporting period are reported as unrestricted support. ACSA uses the direct write-off method of writing off uncollectible receivables.

ALGIERS CHARTER SCHOOLS ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

9. FUNDING SOURCES (CONTINUED)

Contributions of donated non-cash assets are recorded at their fair values in the period received. Contributions of donated services that create or enhance non-financial assets or that require specialized skills provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received.

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When a temporary restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.

10. DEFERRED REVENUE

Grant funds are considered to be earned when qualifying expenditures are made and all other grant requirements have been met and, accordingly, when such funds are received, they are recorded as deferred revenue until earned.

11. FUND BALANCE CLASSIFICATIONS

GASB 54 requires fund balances to be categorized as nonspendable, restricted, committed, assigned, and unassigned. Nonspendable fund balance includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Amounts that are restricted are those in which constraints have been placed on the use of the resource. Committed fund balances are those amounts that can only be used for a specific purpose pursuant to constraints imposed by formal action of the board of directors. Assigned amounts are those that are constrained by management and the governing body, intended for a specific purpose, and not imposed by formal action. Unassigned fund balance is a residual classification for those amounts not restricted, committed, or assigned.

ACSA has a restricted fund balance of \$55,501, and committed fund balance of \$196,307 consisting of contracts that have not been fulfilled as of June 30, 2011. Restricted and committed amounts are considered to have been spent first when an expenditure is incurred for the purpose of fulfilling an agreement or formal action imposed on the funds

12. EQUITY CLASSIFICATIONS

In the government-wide financial statements, equity is classified as net assets and displayed in three components:

ALGIERS CHARTER SCHOOLS ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

12. EQUITY CLASSIFICATIONS (CONTINUED)

- a. Invested in capital assets – consists of capital assets including restricted capital assets, net of accumulated depreciation.
- b. Restricted net assets – consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets – all other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt”.

13. ACCOUNTING ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make certain estimates and assumptions. Those estimates affect the reported amounts of assets and liabilities and disclosure of assets and liabilities at the date of the financial statements. They may also affect the reported amounts of the government-wide financial statements during the reporting period. Actual results could differ from these estimates.

NOTE B – CASH AND CASH EQUIVALENTS

Deposits

ACSA had the following cash as of June 30, 2011:

Governmental funds - Unrestricted:

Demand deposits	<u>\$4,964,476</u>
-----------------	--------------------

Custodial credit risk is the risk that, in the event of a bank failure, ACSA’s deposits might not be recovered. ACSA does not have a deposit policy for custodial credit risk. At June 30, 2011, ACSA’s deposit bank balances of \$4,828,222 were entirely secured by federal deposit insurance and pledged securities held by ACSA’s agent in ACSA’s name.

**ALGIERS CHARTER SCHOOLS ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011**

NOTE C – RETIREMENT PLANS

ACSA offers eligible employees the opportunity to participate in the Teachers' Retirement System (TRS), a state retirement plan, for those employees who are eligible to participate. TRS issues a separate financial report that includes financial statements and required supplementary information. This report may be obtained by writing or calling the plan.

Teachers' Retirement System of Louisiana
Post Office Box 94123
Baton Rouge, LA 70804-9123
(225) 925-6446

Plan Description – All teachers and administrative employees of ACSA are covered by defined benefit contributory pension plans administered and controlled by a separate Board of Trustees. The Board of Trustees administers plans which are cost-sharing multiple-employer public employee retirement systems.

Teachers and administrative employees belong to the Teachers' Regular Plan. Benefits are established by State statute.

TRS provides retirement benefits as well as death and disability benefits. Death and disability benefits vest after 5 years of credited service. Normal retirement is at age 60 with 10 years of service or 20 years of service regardless of age for the Teachers' Regular plan members. Retirement benefits are based upon the employee's age, their last three years of compensation and the number of years that the employee was contributing to TRS.

The percentage formula is applied to the average of the highest three successive annual salaries. The benefit is payable for life with eight available annuity payment plans. The plans also provide various death and disability benefits, whereby the disabled employee or surviving spouse is entitled to receive amounts determined as defined by the plan.

Contribution Required and Made – Covered employees and ACSA are required by State statute to contribute fixed percentages of employees' gross earnings to the pension plan. Current contribution rates for the plan are as follows:

	<u>Employee</u>	<u>Employer</u>
Teachers' Regular	8.00%	20.2%

ACSA's contributions were \$1,681,192 for the year ended June 30, 2011.

ALGIERS CHARTER SCHOOLS ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

NOTE D – INTERFUND RECEIVABLES AND PAYABLES

ACSA uses a pooled cash account to track interfund receivables and payables. Due to/from pooled cash balances at June 30, 2011 are as follows:

<u>Due To Pooled Cash</u>	<u>Amount</u>	<u>Due From Pooled Cash</u>	<u>Amount</u>
General Fund	\$ (4,883,388)	Harte	\$ 3,023,312
General Fund SR	(47,748)	Karr	4,246,090
Harte SR	(900,006)	General Fund SR	8,060
Karr SR	<u>(1,505,261)</u>	Harte SR	<u>13,872</u>
Total	<u>\$ (7,336,403)</u>		<u>\$ 7,291,334</u>

The above due to/from other funds were short-term receivables or payables resulting from the normal course of ACSA's operations.

The total due to and due from pooled cash do not reconcile because of the general fund allocation described in Note A. The elimination of the due to/from pooled cash results in a "Due to Pooled Cash" balance of \$45,069. This amount is offset by an equal "Due from Pooled Cash" on the not-for-profit financial statements.

ALGIERS CHARTER SCHOOLS ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

NOTE E – CAPITAL ASSETS

	June 30, 2010, As previously stated	Prior Period Adjustment	June 30, 2010, As restated	Additions	Reductions	June 30, 2011
Governmental Activities						
Capital assets being depreciated:						
Building and improvements	\$ 119,301	\$ -	\$ 119,301	\$ 7,950	\$ -	\$ 127,251
Office equipment	2,013,472	-	\$ 2,013,472	112,191	(213,814)	1,911,849
Total capital assets being depreciated	2,132,773	-	2,132,773	120,141	(213,814)	2,039,100
Less accumulated depreciation for:						
Building and improvements	29,476		29,476	11,955	(1,124)	40,307
Office equipment	1,179,643	(149,053)	1,030,590	422,849	(146,765)	1,306,674
Total accumulated depreciation	1,209,119	(149,053)	1,060,066	434,804	(147,889)	1,346,981
Total capital assets being depreciated, net	923,654	149,053	1,072,707	(314,663)	(65,925)	692,119
Governmental Activities						
Capital assets, net	\$ 923,654	\$ 149,053	\$ 1,072,707	\$ (314,663)	\$ (65,925)	\$ 692,119

Depreciation expense was charged to functions/programs of ACSA as follows:

Instruction:

Regular Programs	\$ 171,300
Special Education	31,480
Other	15,609
Special Education	21,001

Support services:

Student services	\$ 23,492
Instructional staff support	26,784
General administration	6,218
School administration	44,785
Business services	6,653
Plant services	33,958
Student transportation services	24,479
Central services	14,218
Food services	14,827

Total depreciation expense – governmental activities **\$ 434,804**

ALGIERS CHARTER SCHOOLS ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

NOTE G – CONTINGENT LIABILITIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by such grantor agencies, principally the Federal government. Any disallowed claim, including amounts already collected, may constitute a liability of the applicable funds.

NOTE H – RISK MANAGEMENT

ACSA is exposed to various risks of loss related to thefts of, damage to, and destruction of assets, errors and omissions, injuries to employees, employee health and natural disasters. These risks are covered by commercial insurance purchased from independent third parties.

NOTE I – PRIOR PERIOD ADJUSTMENTS

The financial statements as of June 30, 2010 contained understatements of net assets in the amount of \$449,083 as a result of errors in depreciation calculated as well as a change in the estimated allocation of central office general fund. Net assets as of July 1, 2010 have been increased by that amount to correct the errors.

REQUIRED SUPPLEMENTARY INFORMATION

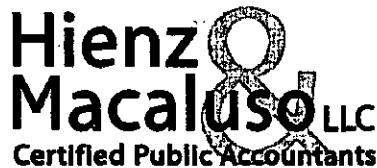
ALGIERS CHARTER SCHOOLS ASSOCIATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE – BUDGET AND ACTUAL
HARTE SCHOOL FUND
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
State public school funding	\$4,924,040	4,924,040	\$5,096,992	\$ 172,952
Other state funding	-	-	24,705	24,705
Federal grants	1,284,117	1,284,117	1,155,369	(128,748)
School food reimbursements	287,948	287,948	250,466	(37,482)
Donations and contributions	-	-	1,071	1,071
Other revenue	27,778	27,778	76,065	48,287
Total Revenues	6,523,883	6,523,883	6,604,668	80,785
Expenditures				
Salaries and benefits	4,593,909	4,593,909	4,654,410	(60,501)
Professional and technical services	366,595	366,595	190,978	175,617
Property services	360,789	360,789	142,718	218,071
Other services	366,614	366,614	629,490	(262,876)
Supplies and utilities	127,637	127,637	275,105	(147,468)
Other	44,906	44,906	181,558	(136,652)
Total Expenditures	5,860,450	5,860,450	6,074,259	(213,809)
Excess of Revenues Over Expenditures	663,433	663,433	530,409	294,594
Fund Balances, Beginning of Year				
as Previously Reported	4,261,085	4,261,085	4,261,085	-
Prior Period Adjustment	(1,837,897)	(1,837,897)	(1,837,897)	-
Fund Balances, Beg of Year, Restated	2,423,188	2,423,188	2,423,188	-
Fund Balances, End of Year	\$3,086,621	\$ 3,086,621	\$2,953,597	\$ 294,594

ALGIERS CHARTER SCHOOLS ASSOCIATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE – BUDGET AND ACTUAL
KARR SCHOOL FUND
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
State public school funding	\$ 6,742,400	\$ 6,742,400	\$ 6,948,759	\$ 206,359
Other state funding	-	-	208,200	208,200
Federal grants	2,020,882	2,020,882	1,442,556	(578,326)
School food reimbursements	200,813	200,813	175,796	(25,017)
Donations and contributions	-	-	926	926
Other revenue	-	-	64,316	64,316
Total Revenues	8,964,095	8,964,095	8,840,553	(123,542)
Expenditures				
Salaries and benefits	5,598,748	5,598,748	5,979,356	(380,608)
Professional and technical services	72,217	72,217	396,022	(323,805)
Property services	503,507	503,507	319,675	183,832
Other services	727,574	727,574	725,975	1,599
Supplies and utilities	431,426	431,426	541,094	(109,668)
Other	120,655	120,655	265,716	(145,061)
Total Expenditures	7,454,127	7,454,127	8,227,838	(773,711)
Excess of Revenues Over Expenditures	1,509,968	1,509,968	612,715	650,169
Fund Balances, Beginning of year				
as Previously Reported	5,927,440	5,927,440	5,927,440	-
Prior Period Adjustment	(2,376,945)	(2,376,945)	(2,376,945)	-
Fund Balances, Beg of Year, Restated	3,550,495	3,550,495	3,550,495	-
Fund Balances, End of Year	\$ 5,060,463	\$ 5,060,463	\$ 4,163,210	\$ 650,169

SINGLE AUDIT SECTION



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Directors of
Algiers Charter Schools Association

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Algiers Charter Schools Association ("ACSA") as of and for the year ended June 30, 2011, and have issued our report thereon dated December 28, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered ACSA's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of ACSA's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the ACSA's internal control over financial reporting.

A *deficiency* in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether ACSA's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The

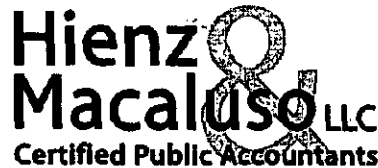
results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of ACSA's Finance Committee, management, the State of Louisiana Legislative Auditor, federal awarding agencies, state funding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Kienz & Macaluso, LLC

Metairie, LA

December 28, 2011



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT
COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND
ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB
CIRCULAR A-133**

Board of Directors of
Algiers Charter Schools Association

Compliance

We have audited the compliance of Algiers Charter Schools Association ("ACSA"), with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2011. ACSA's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of ACSA's management. Our responsibility is to express an opinion on ACSA's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about ACSA's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of ACSA's compliance with those requirements.

In our opinion, ACSA, complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2011.

Internal Control Over Compliance

Management of ACSA is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered ACSA's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of ACSA's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned

functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of Algiers Charter Schools Association's Finance Committee, management, the State of Louisiana Legislative Auditor, federal awarding agencies, state funding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Kienz & Macaluso, LLC

Metairie, LA

December 28, 2011

ALGIERS CHARTER SCHOOLS ASSOCIATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2011

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Disbursements/ Expenditures</u>
<u>U.S. Department of Education</u>		
Direct Programs:		
Emergency Management System	84.184	2,148
Teaching American History	84.215	189,093
Gulf Coast Recovery	84.215	228,822
Passed-Through State Department of Education:		
ESEA of 1965, Title I, Part A	84.010	997,041
IDEA, Part B	84.027	121,099
21st Century	84.287	43,038
Learn and Serve America	94.004	3,439
Education Jobs Fund	84.410	254,751
Passed-Through National Institute for Excellence in Teaching:		
Teacher Incentive Fund	84.374	950,411
Passed-Through Louisiana Endowment for the Humanities:		
Teaching American History	84.215	22,173
TOTAL U.S. DEPARTMENT OF EDUCATION		2,812,016
<u>U.S. Department of Agriculture</u>		
Passed-Through State Department of Agriculture:		
National School Lunch Program		
Free and Reduced Price Meals	10.555	426,262
TOTAL U.S. DEPARTMENT OF AGRICULTURE		426,262
TOTAL FEDERAL ASSISTANCE		3,238,278

The accompanying footnotes to Schedule of Expenditures of Federal Awards are an integral part of this schedule.

**ALGIERS CHARTER SCHOOLS ASSOCIATION
NOTES TO THE SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
Year Ended June 30, 2011**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of Federal Awards includes the federal grant activity of ACSA and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations".

2. ACCRUED AND DEFERRED REIMBURSEMENT

Various reimbursement procedures are used for federal awards received by ACSA. Consequently, timing differences between expenditures and program reimbursements can exist at the beginning and the end of the year.

3. PAYMENTS TO SUBRECIPIENTS

There were no payments to subrecipients for the year ended June 30, 2011.

ALGIERS CHARTER SCHOOLS ASSOCIATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2011

A. SUMMARY OF AUDIT RESULTS

1. The independent auditors' report expresses an unqualified opinion on the financial statements of the Algiers Charter Schools Association.
2. No control deficiencies were disclosed during the audit of the financial statements.
3. No instances of noncompliance material to the financial were disclosed during the audit.
4. No control deficiencies relating to the audit of the major federal award programs are reported in the *Independent Auditors' Report on Compliance with Requirements Applicable to Each Major Federal Award Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133*.
5. The auditors' report on compliance with requirements applicable to major federal award programs for Algiers Charter Schools Association expresses an unqualified opinion.
6. The auditors' report disclosed no findings that were required to be reported in accordance with Section 510(a) of OMB Circular A-133.
7. A management letter was not issued for the year ended June 30, 2011.
8. The programs tested as major programs were:

	<u>CFDA No.</u>
National School Lunch Program	10.555
Fund for the Improvement of Education	84.215
ESEA of 1965, Title I, Part A	84.010
9. The threshold for distinguishing between type A and type B programs was \$300,000.
10. Algiers Charter Schools Association was determined to be not be a low-risk auditee.

ALGIERS CHARTER SCHOOLS ASSOCIATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
Year Ended June 30, 2011

B. FINDINGS RELATED TO THE FINANCIAL STATEMENTS

There were no findings required to be reported in this section.

C. FINDINGS AND QUESTIONED COSTS RELATED TO MAJOR FEDERAL AWARD PROGRAMS

There were no findings required to be reported in this section.

**ALGIERS CHARTER SCHOOLS ASSOCIATION
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
AND QUESTIONED COSTS
Year Ended June 30, 2011**

A. FINDINGS RELATED TO THE FINANCIAL STATEMENTS

2010-1 Fixed Assets	Resolved
2010-2 School Activity Accounts	Resolved
2010-3 Food Service Accounts	Resolved
2010-4 Check Signing	Resolved

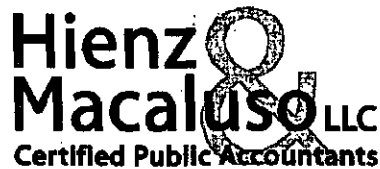
B. FINDINGS AND QUESTIONED COSTS RELATED TO MAJOR FEDERAL AWARD PROGRAMS

There were no findings required to be reported in this section.

C. MANAGEMENT LETTER

A management letter was not issued for the year ended June 30, 2010.

PERFORMANCE STATISTICAL DATA



INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

**Board of Directors
Algiers Charter Schools Association
New Orleans, Louisiana**

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of Algiers Charter Schools Association ("ACSA") and the Legislative Auditor, State of Louisiana, solely to assist users in evaluating management's assertions about the accompanying performance and statistical data and to determine whether the specified schedules are free of obvious errors and omissions as provided by the Board of Elementary and Secondary Education (BESE). This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings related to the accompanying schedules of supplemental information and are as follows:

PROCEDURES AND FINDINGS

General Fund Instructional and Support Expenditures and Certain Local Revenue Sources (Schedule 1)

1. We selected a random sample of 25 transactions and reviewed supporting documentation to determine if the sampled expenditures/revenues are classified correctly and are reported in the proper amounts for each of the following reported on the schedule:
 - ❖ Total General Fund Instructional Expenditures;
 - ❖ Total General Fund Equipment Expenditures;
 - ❖ Total Local Taxation Revenues;
 - ❖ Total Local Earnings on Investment in Real Property;
 - ❖ Total State Revenue in Lieu of Taxes;
 - ❖ Nonpublic Textbook Revenue; and
 - ❖ Nonpublic Transportation Revenue.

We reviewed the supporting documentation for the selected transactions and determined that they were classified correctly and reported in the proper amounts on the appropriate schedule.

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Education Levels of Public School Staff (Schedule 2)

2. We reconciled the total number of full-time classroom teachers per the schedule "Experience of Public Principals, Assistant Principals, and Full-Time Classroom Teachers" (Schedule 4) to the combined total number of full-time classroom teachers per this schedule and to school board supporting payroll records as of October 1, 2010.

No differences were noted.

3. We reconciled the combined total of principals and assistant principals per the schedule "Experience of Public Principals, Assistant Principals, and Full-Time Classroom Teachers" (Schedule 4) to the combined total of principals and assistant principals per this schedule.

No differences were noted.

4. We obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1, 2010 as reported on the schedule. We traced a random sample of 25 teachers to their respective personnel file and determined if their education level was properly classified on the schedule.

The education levels were properly reported.

Number and Type of Public Schools (Schedule 3)

5. We compared the list of schools by type as reported on the schedule. We compared the list to the schools and grade levels as reported on the Title I Grants to Local Educational Agencies (CFDA 84.010) application and/or the National School Lunch Program (CFDA 10.555) application.

No differences were noted.

Experience of Public Principals, Assistant Principals, and Full-Time Classroom Teachers (Schedule 4)

6. We obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1, 2010 and as reported on the schedule and traced the same sample used in procedure 4 to the individual's personnel file and determined if the individual's experience was properly classified on the schedule.

No differences were noted.

Public School Staff Data (Schedule 5)

7. We obtained a listing of all classroom teachers including their base salary, extra compensation, and ROTC or rehired retiree status as well as full-time equivalent as reported on the schedule and a random sample of 25 teachers to their personnel file and determined if their salary, extra compensation, and full-time equivalents were properly included on the schedule.

No differences were noted.

8. For all 25 teachers, we recalculated the average salaries and full-time equivalents reported in the schedule.

No differences were noted.

Class Size Characteristics (Schedule 6)

9. We obtained a list of classes by school, school type and class size as reported on the schedule and reconciled school type classifications to Schedule 3 data, as obtained in procedure 5. We then traced a sample of ten classes to computerized summary reports of the October 1st roll books for those classes and determined if the class was properly classified in the schedule.

No differences were noted.

Louisiana Educational Assessment Program (LEAP) for The 21st Century (Schedule 7)

10. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by ACSA.

No differences were noted.

The Graduation Exit Exam for the 21st Century (Schedule 8)

11. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by ACSA.

No differences were noted.

The /LEAP Tests (Schedule 9)

12. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by ACSA.

No differences were noted

We were not engaged to, and did not perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of Algiers Charter Schools Association, the Louisiana Department of Education, the Louisiana Legislature, and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Hienz & Macaluso, LLC

Metairie, LA

December 28, 2011

Schedule 1**General Fund Instructional and Equipment Expenditures****General Fund Instructional Expenditures:****Teacher and Student Interaction Activities:**

Classroom Teacher Salaries	4,198,536	
Other Instructional Staff Activities	317,859	
Employee Benefits	1,296,367	
Purchased Professional and Technical Services	73,414	
Instructional Materials and Supplies	247,272	
Less: Instructional Equipment	-	
Total Teacher and Student Interaction Activities		6,133,447

Other Instructional Activities		74,176
--------------------------------	--	--------

Pupil Support Activities	770,178	
Less: Equipment for Pupil Support Activities	-	
Net Pupil Support Activities		770,178

Instructional Staff Services	370,853	
Less: Equipment for Instructional Staff Services	-	
Net Instructional Staff Services		370,853

School Administration	1,400,794	
Less: Equipment for School Administration	-	
Net School Administration		1,400,794

Total General Fund Instructional Expenditures		8,749,450
---	--	-----------

Total General Fund Equipment Expenditures		-
---	--	---

Certain Local Revenue Sources

Note: Algiers Charter Schools Association, Inc. receives local revenues from the Orleans Parish School Board. ACSA does not receive a detailed schedule of the source of these revenues. This section is not applicable to charter schools.

Schedule 2

ALGIERS CHARTER SCHOOLS ASSOCIATION

New Orleans, Louisiana

Education levels of Public School Staff

As of October 1, 2010

Category	Full-time Classroom Teachers				Principals & Assistant Principals			
	Certificated		Uncertificated		Certificated		Uncertificated	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than a Bachelor's Degree	0	0%	0	0%	0	0%	0	0%
Bachelor's Degree	65	66%	3	100%	0	0%	0	0%
Master's Degree	29	29%	0	0%	2	40%	0	0%
Master's Degree + 30	4	4%	0	0%	3	60%	0	0%
Specialist in Education	0	0%	0	0%	0	0%	0	0%
Ph. D. or Ed. D.	1	1%	0	0%	0	0%	0	0%
Total	99	100%	3	100%	5	100%	0	0%

Schedule 3**ALGIERS CHARTER SCHOOLS ASSOCIATION****New Orleans, Louisiana****Number and Type of Public Schools****For the Year Ended June 30, 2011**

Type	Number
Elementary	1
Middle Jr. High	0
Secondary	1
Combination	0
Total	2

Note: Schools opened or closed during the fiscal year are included in this schedule.

ALGIERS CHARTER SCHOOLS ASSOCIATION

New Orleans, Louisiana

Experience of Public Principals, Assistant Principals, and Full time Classroom Teachers

As of October 1, 2010

	0-1 Yr.	2-3 Yrs.	4-10 Yrs.	11-14 Yrs.	15-19 Yrs.	20-24 Yrs.	25+ Yrs.	Total
Assistant Principals	0	1	1	1	0	0	0	3
Principals	0	0	1	0	0	0	1	2
Classroom Teachers	23	18	20	5	8	8	20	102
Total	23	19	22	6	8	8	21	107

ALGIERS CHARTER SCHOOLS ASSOCIATION

New Orleans, Louisiana

Public School Staff Data: Average Salaries

For the Year Ended June 30, 2011

	All Classroom Teachers	Classroom Teachers Excluding ROTC, Rehired Retirees, and Flagged Salary Reductions
Average Classroom Teachers Salary Including Extra Compensation	\$44,007.36	\$44,007.36
Average Classroom Teachers Salary Excluding Extra Compensation	\$42,161.40	\$42,161.40
Number of Teacher Full-Time Equivalents (FTES) used in Computation of Average Salaries	102	102

ALGIERS CHARTER SCHOOLS ASSOCIATION

New Orleans, Louisiana

Class Size Characteristics

As of October 1, 2010

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	31.1%	41	61.4%	81	6.8%	9	1%	1
Elementary Activity Class	66.7%	2	0%	0	0.0%	0	33.3%	1
Middle High								
Middle High Activity Class								
High	46.2%	150	31.7%	103	22.2%	72	0.0%	0
High Activity Class	57.9%	22	18%	7	23.7%	9	0.0%	0
Combination								
Combination Activity Class								

ALGIERS CHARTER SCHOOLS ASSOCIATION
New Orleans, Louisiana

Louisiana Educational Assessment Program (LEAP)
For the Year Ended June 30, 2010

District Achievement Level Results	English Language Arts						Mathematics					
	2011		2010		2009		2011		2010		2009	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 4												
Advanced	3	4%	4	5%	1	1%	11	16%	2	3%	1	1%
Mastery	22	31%	19	24%	16	21%	15	21%	16	21%	6	8%
Basic	36	51%	30	38%	39	51%	35	50%	34	44%	45	59%
Approaching Basic	7	10%	17	22%	14	18%	5	7%	17	22%	15	20%
Unsatisfactory	2	3%	8	10%	6	8%	4	6%	9	12%	9	12%
Total	70	100%	78	100%	76	100%	70	100%	78	100%	76	100%

District Achievement Level Results	Science						Social Studies					
	2011		2010		2009		2011		2010		2009	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 4												
Advanced	1	1%	2	3%	3	4%	1	1%	0	0%	0	0%
Mastery	13	19%	10	13%	8	11%	17	24%	10	13%	4	5%
Basic	36	51%	37	47%	42	55%	45	64%	39	50%	45	59%
Approaching Basic	18	26%	23	29%	17	22%	4	6%	17	22%	18	24%
Unsatisfactory	2	3%	6	8%	6	8%	3	4%	12	15%	9	12%
Total	70	100%	78	100%	76	100%	70	100%	78	100%	76	100%

District Achievement Level Results	English Language Arts						Mathematics					
	2011		2010		2009		2011		2010		2009	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 8												
Advanced	2	3%	1	2%	0	0%	0	0%	2	4%	3	4%
Mastery	13	22%	6	11%	11	15%	1	2%	1	2%	4	5%
Basic	40	68%	27	51%	44	60%	44	77%	27	51%	49	67%
Approaching Basic	4	7%	17	32%	18	25%	10	18%	14	26%	14	19%
Unsatisfactory	0	0%	2	4%	0	0%	2	4%	9	17%	3	4%
Total	59	100%	53	100%	73	100%	57	100%	53	100%	73	100%

District Achievement Level Results	Science						Social Studies					
	2011		2010		2009		2011		2010		2009	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 8												
Advanced	0	0%	0	0%	2	3%	0	0%	0	0%	0	0%
Mastery	10	17%	3	6%	15	21%	10	17%	3	6%	6	8%
Basic	35	59%	13	25%	21	29%	38	63%	18	34%	40	55%
Approaching Basic	13	22%	23	43%	28	38%	10	17%	19	36%	18	22%
Unsatisfactory	1	2%	14	26%	7	10%	2	3%	13	25%	11	15%
Total	59	100%	53	100%	73	100%	60	100%	53	100%	73	100%

ALGIER CHARTER SCHOOLS ASSOCIATION
New Orleans, Louisiana

Graduation Exit Examination (GEE)
For the Year Ended June 30, 2011

District Achievement Level Results	English Language Arts						Mathematics					
	2011		2010		2009		2011		2010		2009	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 10												
Advanced	0	0%	0	0%	0	0%	7	3%	5	2%	12	5%
Mastery	9	4%	16	8%	15	7%	25	12%	22	10%	19	8%
Basic	110	54%	125	59%	131	58%	103	49%	99	45%	124	53%
Approaching Basic	56	27%	59	28%	53	23%	32	15%	52	24%	45	19%
Unsatisfactory	28	14%	13	6%	27	12%	43	20%	42	19%	34	15%
Total	204	100%	213	100%	226	100%	210	100%	220	100%	234	100%

District Achievement Level Results	Science						Social Studies					
	2011		2010		2009		2011		2010		2009	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 11												
Advanced	3	1%	2	1%	2	1%	0	0%	0	0%	1	0%
Mastery	19	8%	20	10%	18	8%	23	10%	33	18%	11	5%
Basic	123	53%	98	48%	88	43%	145	63%	125	60%	110	55%
Approaching Basic	59	26%	64	30%	59	29%	37	16%	36	17%	48	24%
Unsatisfactory	26	11%	28	13%	38	19%	25	11%	16	8%	31	15%
Total	230	100%	210	100%	201	100%	230	100%	210	100%	201	100%

ALGIERS CHARTER SCHOOLS ASSOCIATION
 New Orleans, Louisiana

 Iowa and ILEAP Tests
 For the Year Ended June 30, 2011

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2009		2009		2009		2009	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 3								
Advanced	4	5.3%	6	8.0%	0	0.0%	0	0.0%
Mastery	22	29.3%	14	18.7%	10	13.3%	10	13.3%
Basic	36	48.0%	33	44.0%	38	50.7%	48	64.0%
Approaching Basic	12	16.0%	20	26.7%	23	30.7%	14	18.7%
Unsatisfactory	1	1.3%	2	2.7%	4	5.3%	3	4.0%
Total	75	100.0%	75	100.0%	75	100.0%	75	100.0%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2009		2009		2009		2009	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 5								
Advanced	3	4.5%	3	4.5%	0	0.0%	0	0.0%
Mastery	8	12.1%	1	1.5%	7	10.6%	11	16.7%
Basic	42	63.6%	34	51.5%	30	45.5%	38	57.6%
Approaching Basic	12	18.2%	15	22.7%	25	37.9%	11	16.7%
Unsatisfactory	1	1.5%	13	19.7%	4	6.1%	6	9.1%
Total	66	100.0%	66	100.0%	66	100.0%	66	100.0%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2009		2009		2009		2009	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 6								
Advanced	0	0.0%	0	0.0%	0	0.0%	1	1.3%
Mastery	4	5.0%	2	2.5%	4	5.0%	0	0.0%
Basic	48	57.5%	55	68.8%	35	43.8%	48	57.5%
Approaching Basic	21	26.3%	12	15.0%	35	43.8%	25	31.3%
Unsatisfactory	9	11.3%	11	13.8%	6	7.5%	8	10.0%
Total	80	100.0%	80	100.0%	80	100.0%	80	100.0%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2009		2009		2009		2009	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 7								
Advanced	2	3.4%	2	3.4%	1	1.7%	1	1.7%
Mastery	2	3.4%	3	5.1%	6	10.2%	4	6.8%
Basic	25	42.4%	22	37.3%	17	28.8%	25	42.4%
Approaching Basic	19	32.2%	13	22.0%	23	39.0%	19	32.2%
Unsatisfactory	11	18.6%	19	32.2%	12	20.3%	10	16.9%
Total	59	100.0%	59	100.0%	59	100.0%	59	100.0%

District Achievement Level Results	English Language Arts		Mathematics	
	2009		2009	
Students	Number	Percent	Number	Percent
Grade 9				
Advanced	0	0.0%	2	1.0%
Mastery	4	2.0%	11	5.4%
Basic	134	66.3%	95	47.0%
Approaching Basic	61	30.2%	64	31.7%
Unsatisfactory	3	1.5%	30	14.9%
Total	202	100.0%	202	100.0%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2010		2010		2010		2010	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 3								
Advanced	8	11.0%	5	6.8%	0	0.0%	0	0.0%
Mastery	16	21.9%	18	24.7%	10	13.7%	9	12.3%
Basic	34	46.6%	29	39.7%	32	43.8%	43	58.9%
Approaching Basic	7	9.6%	14	19.2%	24	32.9%	13	17.8%
Unsatisfactory	8	11.0%	7	9.6%	7	9.6%	8	11.0%
Total	73	100.0%	73	100.0%	73	100.0%	73	100.0%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2010		2010		2010		2010	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 5								
Advanced	1	1.3%	5	6.5%	0	0.0%	1	1.3%
Mastery	12	15.6%	12	15.6%	4	5.2%	6	7.8%
Basic	37	48.1%	30	39.0%	34	44.2%	45	58.4%
Approaching Basic	22	28.6%	18	23.4%	33	42.9%	18	23.4%
Unsatisfactory	5	6.5%	12	15.6%	6	7.8%	7	9.1%
Total	77	100.0%	77	100.0%	77	100.0%	77	100.0%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2010		2010		2010		2010	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 6								
Advanced	2	2.7%	2	2.7%	1	1.4%	1	1.4%
Mastery	7	9.5%	4	5.4%	4	5.4%	7	9.5%
Basic	52	70.3%	49	66.2%	43	58.1%	48	64.9%
Approaching Basic	11	14.9%	15	20.3%	22	29.7%	16	21.6%
Unsatisfactory	2	2.7%	4	5.4%	4	5.4%	2	2.7%
Total	74	100.0%	74	100.0%	74	100.0%	74	100.0%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2010		2010		2010		2010	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 7								
Advanced	1	1.4%	0	0.0%	0	0.0%	1	1.4%
Mastery	8	11.3%	5	7.0%	2	2.8%	2	2.8%
Basic	42	59.2%	40	56.3%	31	43.7%	44	62.0%
Approaching Basic	16	22.5%	14	19.7%	34	47.9%	19	26.8%
Unsatisfactory	4	5.6%	12	16.9%	4	5.6%	5	7.0%
Total	71	100.0%	71	100.0%	71	100.0%	71	100.0%

District Achievement Level Results	English Language Arts		Mathematics	
	2010		2010	
Students	Number	Percent	Number	Percent
Grade 9				
Advanced	0	0.0%	4	2.0%
Mastery	3	1.5%	11	5.5%
Basic	142	70.3%	123	61.2%
Approaching Basic	46	22.8%	36	17.9%
Unsatisfactory	11	5.4%	27	13.4%
Total	202	100.0%	201	100.0%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2011		2011		2011		2011	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 3								
Advanced	4	6.1%	8	9.1%	0	0.0%	1	1.5%
Mastery	19	28.8%	12	18.2%	9	13.6%	3	4.5%
Basic	30	45.5%	32	48.5%	24	36.4%	34	51.5%
Approaching Basic	9	13.6%	10	15.2%	25	37.9%	19	28.8%
Unsatisfactory	4	6.1%	6	9.1%	8	12.1%	9	13.6%
Total	66	100.0%	68	100.0%	66	100.0%	66	100.0%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2011		2011		2011		2011	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 5								
Advanced	5	6.8%	4	5.5%	6	8.2%	1	1.4%
Mastery	20	27.4%	12	16.4%	10	13.7%	22	30.1%
Basic	38	52.1%	39	53.4%	28	38.4%	26	35.6%
Approaching Basic	8	11.0%	8	11.0%	25	34.2%	15	20.5%
Unsatisfactory	2	2.7%	10	13.7%	4	5.5%	9	12.3%
Total	73	100.0%	73	100.0%	73	100.0%	73	100.0%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2011		2011		2011		2011	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 6								
Advanced	2	2.7%	4	5.6%	2	2.7%	4	5.5%
Mastery	9	12.3%	11	15.3%	10	13.7%	12	16.4%
Basic	51	69.9%	48	66.7%	49	67.1%	44	60.3%
Approaching Basic	11	15.1%	5	6.9%	10	13.7%	8	11.0%
Unsatisfactory	0	0.0%	4	5.6%	2	2.7%	5	6.8%
Total	73	100.0%	72	100.0%	73	100.0%	73	100.0%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2011		2011		2011		2011	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 7								
Advanced	3	3.8%	2	2.5%	1	1.3%	6	7.5%
Mastery	14	17.5%	7	8.8%	40	50.0%	19	23.8%
Basic	59	73.8%	60	75.0%	35	43.8%	50	62.5%
Approaching Basic	4	5.0%	10	12.5%	4	5.0%	3	3.8%
Unsatisfactory	0	0.0%	1	1.3%	0	0.0%	2	2.5%
Total	80	100.0%	80	100.0%	80	100.0%	80	100.0%

ALGIERS CHARTER SCHOOLS ASSOCIATION
FINANCIAL STATEMENTS
For the Year Ending June 30, 2011

ALGIERS CHARTER SCHOOLS ASSOCIATION

TABLE OF CONTENTS

FINANCIAL SECTION

Independent Auditor's Report	1
Basic Financial Statements	
Statements of Financial Position.....	3
Statements of Activities.....	4
Statements of Cash Flows.....	5
Statements of Functional Expenses.....	6
Notes to Financial Statements.....	7
Supplemental Information	
Schedules of Financial Position by School.....	15
Schedules of Activities by School.....	17
Schedules of Functional Expenses by School.....	19

SINGLE AUDIT SECTION

Independent Auditor's Reports and Information Required by the Single Audit Act And Government Auditing Standards

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	20
Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Federal Award Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133 and on the Schedule of Expenditures Of Federal Awards.....	22

ALGIERS CHARTER SCHOOLS ASSOCIATION

TABLE OF CONTENTS (CONTINUED)

SINGLE AUDIT SECTION (CONTINUED)

Schedule of Expenditures of Federal Awards.....	24
Notes to Schedule of Expenditures of Federal Awards.....	26
Schedule of Findings and Questioned Costs.....	27
Summary Schedule of Prior Audit Findings and Questioned Costs.....	29

PERFORMANCE STATISTICAL DATA

Schedules Required by State Law

Independent Accountant's Report on Applying Agreed-Upon Procedures.....	30
Schedule 1: General Fund Instructional and Support Expenditures and Certain Local Revenue Sources for the Year Ended June 30, 2011.....	33
Schedule 2: Education Levels of Public School Staff.....	34
Schedule 3: Number and Type of Public Schools.....	35
Schedule 4: Experience of Public Principals, Assistant Principals, and Full Time Classroom Teachers.....	36
Schedule 5: Public School Staff Data.....	37
Schedule 6: Class Size Characteristics.....	38
Schedule 7: Louisiana Educational Assessment Program (LEAP) for the 21 st Century.....	39
Schedule 8: Graduation Exit Exam for the 21 st Century.....	40
Schedule 9: Integrated Louisiana Educational Assessment Program (ILEAP).....	41

FINANCIAL SECTION

Hienz & Macaluso LLC

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Algiers Charter Schools Association
New Orleans, Louisiana

We have audited the accompanying statements of financial position of Algiers Charter Schools Association ("ACSA") (a non-profit organization) as of June 30, 2011 and 2010, and the related statements of activities, cash flows and functional expenses for the years then ended. These financial statements are the responsibility of the management of ACSA. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of ACSA as of June 30, 2011 and 2010, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 28, 2011 on our consideration of ACSA's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*, and should be considered in assessing the results of our audit.

Our audit was performed for the purpose of forming an opinion on the basic financial statements of ACSA taken as a whole. The accompanying combining and individual school financial schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Hienz & Macaluso, LLC

Metairie, LA

December 28, 2011

BASIC FINANCIAL STATEMENTS

ALGIERS CHARTER SCHOOLS ASSOCIATION
STATEMENTS OF FINANCIAL POSITION
June 30, 2011 and 2010

	<u>2011</u>	<u>(Restated) 2010</u>
<u>ASSETS</u>		
Current Assets:		
Cash and cash equivalents	\$ 12,470,448	\$ 11,742,547
Intergovernmental receivables	5,524,733	6,025,972
Other receivables	166,751	124,994
Prepaid expenses	-	127,655
Due from pooled cash, net	<u>45,069</u>	<u>-</u>
Total current assets	<u>18,207,001</u>	<u>18,021,168</u>
Other Assets:		
Deposits	<u>6,700</u>	<u>6,700</u>
Total Other Assets	<u>6,700</u>	<u>6,700</u>
Noncurrent Assets:		
Property and equipment (net of accumulated depreciation)	<u>1,722,109</u>	<u>2,918,530</u>
Total assets	<u>\$ 19,935,810</u>	<u>\$ 20,946,398</u>
<u>LIABILITIES AND NET ASSETS</u>		
Current Liabilities:		
Accounts payable and accrued expenses	\$ 3,029,760	\$ 3,947,288
Due to other governments	236,799	165,301
Due to other agencies	979,836	444,826
Deferred revenues	74,474	33,910
Due to pooled cash, net	<u>-</u>	<u>661,099</u>
Total current liabilities	<u>4,320,869</u>	<u>5,252,424</u>
Net Assets:		
Reserved for capital assets	1,722,109	2,918,530
Unrestricted	<u>13,892,832</u>	<u>12,775,444</u>
Total Net Assets	<u>15,614,941</u>	<u>15,693,974</u>
Total liabilities and net assets	<u>\$ 19,935,810</u>	<u>\$ 20,946,398</u>

The notes to the financial statements are an integral part of this statement.

ALGIERS CHARTER SCHOOLS ASSOCIATION
STATEMENTS OF ACTIVITIES
For the Years Ended June 30, 2011 and 2010

	<u>2011</u>	<u>(Restated) 2010</u>
UNRESTRICTED NET ASSETS		
Public Support and Other Revenues		
Unrestricted grants in aid - State	\$ -	\$ -
Restricted grants in aid - Federal and State	12,707,068	14,472,766
Donations - unrestricted	23,507	44,398
Minimum Foundation Program	30,317,044	28,238,623
Miscellaneous revenue	1,942,918	776,254
	<u>44,990,537</u>	<u>43,532,041</u>
Expenses		
Program services:		
Instructional	\$23,298,661	\$23,969,332
Supporting services:		
Management and general	21,770,909	19,535,637
	<u>\$45,069,570</u>	<u>\$43,504,969</u>
Increase/(Decrease) in Unrestricted Net Assets	(79,033)	27,072
Net assets at beginning of fiscal year	15,693,974	15,666,902
Net assets at beginning of fiscal year	15,693,974	15,666,902
Net assets at end of fiscal year	<u>\$ 15,614,941</u>	<u>15,693,974</u>

The notes to the financial statements are an integral part of this statement.

ALGIERS CHARTER SCHOOLS ASSOCIATION
STATEMENTS OF CASH FLOWS
For the Years Ended June 30, 2011 and 2010

	2011	(Restated) 2010
Cash flows from Operating Activities:		
Increase/(Decrease) in net assets	\$ (79,033)	\$ 27,072
Adjustments to reconcile increase in net assets to net cash provided by operating activities		
Depreciation	1,004,184	465,575
(Increase)/decrease in assets:		
Accounts receivable	501,239	5,058,102
Other receivables	(41,757)	(128,892)
Prepaid expense	127,655	(127,655)
Due from pooled cash	(45,069)	-
Deposits	-	-
Increase/(Decrease) in liabilities:		
Accounts payable and other accrued expenses	(630,355)	(754,732)
Deferred revenues	40,564	33,910
Due to pooled cash, net	(661,099)	820,369
Due to other funds	535,010	454,588
 Net cash provided by operating activities	 <u>751,339</u>	 <u>5,848,337</u>
 Cash Flows from Investing Activities:		
Purchase of property and equipment	 <u>-</u>	 <u>(5,671)</u>
 Net cash used in investing activities	 <u>-</u>	 <u>(5,671)</u>
 Net increase/(decrease) in cash and cash equivalents	 751,339	 5,842,666
 Cash and cash equivalents, Beginning of Year	 <u>11,719,109</u>	 <u>5,899,881</u>
 Cash and cash equivalents, End of Year	 <u>\$ 12,470,448</u>	 <u>\$ 11,742,547</u>

The notes to the financial statements are an integral part of this statement.

ALGIERS CHARTER SCHOOLS ASSOCIATION
STATEMENTS OF FUNCTIONAL EXPENSES
For the Years Ended June 30, 2011 and 2010 (Totals Only)

	PROGRAM SERVICES	SUPPORT SERVICES		
		Management and General	Total Expenses	(Restated) 2010
Expenses:	Instructional			
Salaries and benefits	\$ 20,749,572	\$ 10,275,875	\$ 31,025,447	\$ 31,183,088
Professional services	522,272	1,804,415	2,326,687	1,346,848
Travel	142,579	111,356	253,935	556,356
Supplies	878,196	435,129	1,313,325	2,083,647
Utilities	-	903,940	903,940	581,209
Rent	1,292	223,163	224,455	194,767
Insurance	-	145,238	145,238	101,728
Repairs and maintenance	263	1,071,289	1,071,552	2,245,587
Transportation	-	2,388,321	2,388,321	2,186,134
Food service management	-	1,652,292	1,652,292	1,616,782
Depreciation Expense	815,002	189,182	1,004,184	465,575
Other	189,485	2,570,709	2,760,194	943,248
	\$ 23,298,661	\$ 21,770,909	\$ 45,069,570	\$ 43,504,969

The notes to the financial statements are an integral part of this statement.

ALGIERS CHARTER SCHOOLS ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
For the Years Ended June 30, 2011 and 2010

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Algiers Charter Schools Association (“ACSA”) was incorporated in October 2005 for the purpose of operating charter schools in New Orleans. The State Board of Elementary and Secondary Education (“BESE”) has granted ACSA seven (7) Type 5 charters to operate Algiers Technology Academy, Martin Behrman Elementary, Dwight D. Eisenhower Elementary, William J. Fischer Elementary, McDonogh #32 Elementary, Harriet R. Tubman Elementary, and O. Perry Walker Senior High. The original charters are valid through June 30, 2011, with the exception of Algiers Technology Academy, which is valid through June 30, 2012. The ACSA Board of Directors governs all ACSA schools.

In addition to the seven (7) schools operated under the charter agreement with BESE, ACSA operates two (2) schools under a charter agreement with Orleans Parish School Board. These two (2) schools, Alice M. Harte Elementary and Edna Karr Senior High, are reported separately. Because the Central Office provides services to all nine (9) charter schools, these funds are allocated between the two entities based on the attendance of the various schools.

In January 2011, several of the ACSA schools were under charter renewal consideration based upon the academic, financial, and compliance requirements as of June 30 2010. Based on the results, BESE granted new charter terms for the following Type 5 schools operated by ACSA:

- Martin Behrman Academy of Creative Arts and Sciences – 7/1/2011 – 6/30/2015
- Dwight D. Eisenhower Academy of Global Studies – 7/1/2011 – 6/30/2014
- William J. Fischer Accelerated Academy – 7/1/2011 – 6/30/2014
- McDonogh #32 Literacy Academy – 7/1/2011 – 6/30/2014
- O. Perry Walker College and Career Preparatory High School – 7/1/2011 – 6/30/2014

Also, the charters provided to Orleans Parish School Board operated by ACSA received charter renewal as follows:

- Alice M. Harte Elementary – 7/1/2011 – 6/30/2015
- Edna Karr Senior High – 7/1/2011 – 6/30/2015

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Functional Expenses

The cost of program and supporting services has been reported on a functional basis. This requires the allocation of certain costs based on total program costs and estimates made by management.

ALGIERS CHARTER SCHOOLS ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
For the Years Ended June 30, 2011 and 2010

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Tax Status

ACSA is a tax-exempt organization under Internal Revenue Code Section 501 (c)(3) and, as such, is not subject to income tax.

Public Support and Revenue

ACSA receives its support primarily from the Louisiana State Department of Education and the United States Department of Education.

Irrevocable promises to give and outright contributions are recorded as revenue on the accrual basis as they are received, and allowances are provided for promises to give estimated to be uncollectible. Promises to give and contributions are principally received from corporate, foundation, and individual donors around the United States. Both promises to give and contributions are considered available for unrestricted use unless specifically restricted by donors. Irrevocable promises to give which relate to a subsequent year are recorded as receivables and temporarily restricted net assets in the year the commitment is received. Contributions whose donor restrictions are met in the same reporting period are reported as unrestricted support. ACSA uses the direct write-off method of writing off uncollectible receivables. Contributions of donated non-cash assets are recorded at their fair values in the period received. Contributions of donated services that create or enhance non-financial assets or that require specialized skills provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received.

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When a temporary restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net asset released from restrictions.

Deferred Revenue

Grant funds are considered to be earned when qualifying expenditures are made and all other grant requirements have been met and, accordingly, when such funds are received, they are recorded as deferred revenue until earned.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly actual amounts could differ from those estimates.

Cash and Cash Equivalents

Cash includes the amounts in demand deposits and interest – bearing deposits. Cash equivalents include amounts in time deposits with original maturities of ninety (90) days or less.

ALGIERS CHARTER SCHOOLS ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
For the Years Ended June 30, 2011 and 2010

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Compensated Absences

ACSA compensates employees entitled to paid leave using their base hourly rate, excluding shift premiums and overtime compensation, if any.

Paid time off – All employees will earn two days of paid time off per month, up to ten (10) paid days off accrued in the year for 11-month, 10-month, 9.75-month and 9.5-month employees and up to 24 days off accrued in the year for 12-month employees.

Effective July 1, 2010, employees may not carry over unused paid time off.

Basis of Presentation

ACSA follows the provisions which establishes external financial reporting for not-for-profit organizations which includes three basic financial statements and the classification of resources into three separate classes of net assets, as follows:

- **Unrestricted** – Net assets which are free of donor-imposed restrictions; all revenues, expenses, gains, and losses that are not changes in permanently or temporarily restricted net assets.
- **Temporarily Restricted** – Net assets whose use by ACSA is limited by donor-imposed stipulations that either expire by the passage of time or that can be fulfilled or removed by actions of ACSA pursuant to such stipulations.
- **Permanently Restricted** – Net assets whose use by ACSA is limited by donor-imposed stipulations that neither expire with the passage of time nor can be fulfilled and removed by actions of ACSA.

Property and Equipment

Property and equipment are capitalized at cost. It is ACSA's policy to capitalize expenditures for these items in excess of \$5,000. Lesser amounts are expensed as incurred. Property and equipment are being depreciated over their estimated useful lives using the straight-line method using the following lives:

Office Equipment	4 – 10 years
Building and Improvements	20 – 50 years

Property and equipment purchased with federal and state funds, are capitalized as an asset of ACSA. ACSA is required to transfer title to any asset purchased with federal and state funds if ACSA does not continue operations of the school related to those assets.

ALGIERS CHARTER SCHOOLS ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
For the Years Ended June 30, 2011 and 2010

NOTE B – CASH AND CASH EQUIVALENTS AND INVESTMENTS

ACSA had the following cash as of June 30, 2011 and 2010:

	<u>2011</u>	<u>2010</u>
Demand Deposits	\$ 12,470,448	\$ 11,742,547
Time Deposits	-	-
	<u>\$ 12,470,448</u>	<u>\$ 11,742,547</u>

Custodial credit risk is the risk that, in the event of a bank failure, ACSA's deposits might not be recovered. At June 30, 2011 and 2010, ACSA's demand deposit bank balances of \$17,916,143 and \$17,008,958, respectively, were entirely secured by federal deposit insurance and pledged securities held by ACSA's agent in ACSA's name. These amounts are inclusive of the bank accounts and central office allocation reported separately for Alice M. Harte Elementary and Edna Karr Senior High, as described in Note A.

NOTE C – INTERFUND RECEIVABLES AND PAYABLES

ACSA uses a pooled cash account to track interfund receivables and payables. Due to/from pooled cash balances at June 30, 2011 are as follows:

<u>Due To Pooled Cash</u>	<u>Amount</u>	<u>Due From Pooled Cash</u>	<u>Amount</u>
Central Office	11,184,018	Central Office SR	21,388
Central Office SR	126,712	Behrman	2,698,384
ATA	69,652	Behrman SR	10,873
ATA SR	564,440	Eisenhower	3,769,109
Behrman SR	814,870	Eisenhower SR	3,340
Eisenhower SR	769,308	Fischer	1,731,950
Fischer SR	499,820	McDonogh	756,468
McDonogh SR	611,470	Tubman	842,269
Tubman SR	616,558	Tubman SR	6,169
Walker SR	990,509	Walker	6,425,917
	-	Walker SR	26,559
	<u>-</u>		<u>26,559</u>
 Total	 <u>16,247,357</u>	 Total	 <u>16,292,426</u>

The above due to/from other funds were short-term receivables or payables resulting from the normal course of ACSA's operations.

ALGIERS CHARTER SCHOOLS ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
For the Years Ended June 30, 2011 and 2010

NOTE C – INTERFUND RECEIVABLES AND PAYABLES (CONTINUED)

The total due to and due from pooled cash do not reconcile because of the general fund allocation described in Note A. The elimination of the due to/due from pooled cash results in a "Due from Pooled Cash" balance of \$45,069. This amount is offset by an equal "Due to Pooled Cash" on the governmental financial statements which includes Harte and Karr schools.

NOTE D – PROPERTY AND EQUIPMENT

Property and equipment at June 30, 2011 and 2010 consists of the following:

	2011	2010 (restated)
Furniture, fixtures, and equipment	\$ 4,252,747	\$ 5,026,316
Buildings & building improvements	102,300	35,949
Less: accumulated depreciation	<u>(2,632,938)</u>	<u>(2,143,735)</u>
Property and equipment, net	<u>\$ 1,722,109</u>	<u>\$ 2,918,530</u>

Depreciation expense for ACSA for the years ended June 30, 2011 and 2010 was \$1,004,184 and \$465,575, respectively.

During the years ended June 30, 2011 and 2010, ACSA acquired \$0 and \$5,025, respectively.

NOTE E – RETIREMENT PLANS

ACSA offers eligible employees the opportunity to participate in the Teachers' Retirement System (TRS), a state retirement plan, for those employees who are eligible to participate. TRS issues a separate financial report that includes financial statements and required supplementary information. This report may be obtained by writing or calling the plan.

Teachers' Retirement System of Louisiana
Post Office Box 94123
Baton Rouge, LA 70804-9123
(225) 925-6446

1. *Plan Description* – All teachers and administrative employees of ACSA are covered by defined benefit contributory pension plans administered and controlled by a separate Board of Trustees. The board of Trustees administers plans which are cost-sharing multiple-employer public employee retirement systems.

Teachers and administrative employees belong to the Teachers' Regular Plan. Benefits are established by State Statute.

ALGIERS CHARTER SCHOOLS ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
For the Years Ended June 30, 2011 and 2010

NOTE E – RETIREMENT PLANS (CONTINUED)

TRS provides retirement benefits as well as death and disability benefits. Death and disability benefits vest after 5 years of credited service. Normal retirement is at age 60 with 10 years of service or 20 years of service regardless of age for the Teachers' Regular plan members. Retirement benefits are based upon the employee's age, their last three years of compensation and the number of years that the employee was contributing to TRS.

The percentage formula is applied to the average of the highest three successive annual salaries. The benefit is payable for life with eight available annuity payment plans. The plans also provide various death and disability benefits whereby the disabled employee or surviving spouse is entitled to receive amounts determined as defined by the plan.

2. Contributions required and made – Covered employees and ACSA are required by State Statute to contribute fixed percentages of employees' gross earnings to the pension plans. Current contribution rates for the plans are as follows:

	<u>Employee</u>	<u>Employer</u>
Teachers' Regular	8.00%	20.2%

ACSA's contributions for the years ended June 30, 2011 and 2010 were \$4,591,743 and \$3,655,745, respectively.

NOTE F – CONTINGENCIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by such grantor agencies, principally the Federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds.

NOTE G – RISK MANAGEMENT

ACSA is exposed to various risks of loss related to thefts of, damage to, and destruction of assets, errors and omissions, injuries to employees, employee health and natural disasters. These risks are covered by commercial insurance purchased from independent third parties.

NOTE H – CORRECTION OF AN ERROR

ACSA financial statements as of June 30, 2010, contained the following errors: overstatement of depreciation expenses by \$558,670. Net assets as of July 1, 2010, have been increased by that amount to correct the error.

ACSA prepared an allocation of central office fund balance as of June 30, 2010. The net effect of the central office allocation is zero, therefore there are no changes in the consolidated financial statements net assets related to this prior period adjustment.

ALGIERS CHARTER SCHOOLS ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
For the Years Ended June 30, 2011 and 2010

NOTE I – UNCERTAIN INCOME TAXES

On July 1, 2009, ACSA adopted the provisions of the *Accounting for Uncertainty in Income Taxes* Topic of the FASC ASC. The implementation of this topic had no impact on the statement of financial position or statement of activities. ACSA's 2008 and 2009 tax returns have been filed appropriately. As of December 28, 2011, the School has been approved for an extension to file their 2010 tax return. The School recognizes interest and penalties, if any, related to unrecognized tax benefits in income tax expense. The School's tax filings are subject to audit by various taxing authorities. The School's open audit periods are 2008 and 2009. Management has evaluated the School's tax position and concluded that the School has taken no uncertain tax positions that require adjustment to the financial statements to comply with the provisions of this guidance.

NOTE J – RECLASSIFICATION

Certain reclassifications have been made to the 2010 financial statement presentation to correspond to the current year's format. Net assets and changes in net assets are unchanged due to these reclassifications.

NOTE K – LEASES

ACSA leases its office space under the terms of an operating lease expiring September 14, 2013.

Total rent expense amounted to \$66,825 for the period ended June 30, 2011 and June 30, 2010. An amendment to the office lease, effective July 1, 2011, reduced the dollars per square foot.

The future minimum lease payments under the above lease are as follows:

<u>Fiscal Year End</u>	<u>Lease Commitment</u>
June 30, 2012	\$58,320
June 30, 2013	\$41,310
	<u>\$99,630</u>

NOTE L – SUBSEQUENT EVENTS

Subsequent events have been evaluated through December 28, 2011, the date the financial statements were available to be issued. As discussed in Note K, ACSA was denied a charter renewal to operate Harriett Ross Tubman school due to not meeting the academic performance requirements as of June 30, 2010. Operations transferred to a new operator as of July 1, 2011.

NOTE M – HARRIETT ROSS TUBMAN CHARTER SCHOOL

On February 21, 2011, Louisiana Department of Education Recovery School District released changes for the 2011-2012 school year, stating that Harriett R. Tubman Charter School, located at 2013 General Meyer Ave., Algiers, LA, will have a new charter operator. Tubman's charter under ACSA was not renewed because the school did not meet academic and financial benchmarks as of June 30, 2010. However, ACSA continued to operate Harriett R. Tubman Charter School for July 1, 2010 - June 30, 2011 and achieved significant academic growth with a school assessment index of 77 and final school performance score of 65.5.

As of June 30, 2011 the school has the following assets and liabilities:

ALGIERS CHARTER SCHOOLS ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
For the Years Ended June 30, 2011 and 2010

NOTE M- HARRIETT ROSS TUBMAN CHARTER SCHOOL (CONTINUED):

Assets	School Funds	Special Revenue Funds	Total
Cash and cash equivalents	\$ 818	\$ 1,953	\$ 2,771
Intergovernmental receivables	-	764,229	764,229
Other receivables	39,141	-	39,141
Prepaid expenses	-	-	-
Due from pooled cash	842,269	6,169	848,438
Deposits	1,750	-	1,750
Property & equipment (net of accumulated depreciation)	24,623	124,754	149,377
Liabilities			
Accounts payable and accrued expenses	(35,141)	(4,599)	(39,740)
Due to other governments	(6,128)	-	(6,128)
Due to other agencies	(818)	-	(818)
Deferred revenues	-	-	-
Due to pooled cash	\$ -	\$ (616,558)	\$ (616,558)

Cash and cash equivalents related to the school activity funds will transfer with the school, the special revenue cash balance is related to food service income and was deposited to the Central Office subsequent to June 30, 2011 and used towards the required match for the USDA grant.

Other receivables are related to employee benefits; intergovernmental receivables are reimburseable grant revenue not received as of June 30, 2011. These receivables will not transfer.

Deposits are related to a mobile storage 'POD' located at the school. If title of the lease is transferred the deposit will be payable to ACSA by the new operator.

Due from pooled cash and Due to pooled cash have a net balance of \$231,880. This is an interfund receivable from Central Office and no transfer will relate to this balance.

Fixed assets were purchased with federal and/or state funds therefore those assets have been transferred with the charter subsequent to June 30, 2011.

Accounts payable and intergovernmental payables are the responsibility of ACSA as of June 30, 2011, therefore these liabilities do not transfer.

SUPPLEMENTAL INFORMATION

ALGIERS CHARTER SCHOOLS ASSOCIATION
SCHEDULE OF FINANCIAL POSITION BY SCHOOL
June 30, 2011 and 2010 (Totals Only)

2011

ASSETS	School Funds						
	Central Office	ATA	Behrman	Eisenhower	Fischer	McDonogh	Walker
Current Assets:							
Cash and cash equivalents	\$ 11,956,136	\$ 6,847	\$ 304,528	\$ 50,533	\$ 16,206	\$ 5,527	\$ 818
Intergovernmental receivables	-	-	-	-	-	-	-
Other receivables	115,831	2,998	1,199	-	-	7,582	39,141
Prepaid expenses	-	-	-	-	-	-	-
Due from pooled cash	-	-	2,698,384	3,769,109	1,731,950	756,468	842,269
Total Current Assets	12,071,967	9,845	3,004,111	3,819,642	1,748,156	769,577	882,228
							6,535,848
Other Assets:							
Deposits	-	-	1,050	1,050	1,050	750	1,750
Total Other Assets	-	-	1,050	1,050	1,050	750	1,750
							1,050
Non-Current Assets:							
Property and equipment (net of accumulated depreciation)	4,536	25,270	57,501	97,393	38,497	29,337	24,623
Total Assets	\$ 12,076,503	\$ 35,115	\$ 3,062,662	\$ 3,918,085	\$ 1,787,703	\$ 799,664	\$ 908,601
							\$ 6,628,294
LIABILITIES AND NET ASSETS							
Current Liabilities:							
Accounts payable and accrued expen	2,759,268	40,582	19,377	22,904	19,025	19,834	35,141
Due to other governments	4,220	1,396	38,879	26,562	79,535	2,327	6,128
Due to other agencies	485,604	6,847	304,528	50,533	16,048	5,527	818
Deferred revenues	-	-	5,347	5,346	5,501	5,346	-
Due to pooled cash	11,184,018	69,652	-	-	-	-	-
Total Current Liabilities	14,433,110	118,477	368,131	105,345	120,109	33,034	42,087
							262,193
Net Assets:							
Reserved for capital assets	4,536	25,270	57,501	97,393	38,497	29,337	24,623
Unrestricted	(2,361,143)	(108,632)	2,637,030	3,715,347	1,629,097	737,293	841,891
Total Net Assets	(2,356,607)	(83,362)	2,694,531	3,812,740	1,667,594	766,630	866,514
							6,366,101
Total Liabilities and Net Assets	\$ 12,076,503	\$ 35,115	\$ 3,062,662	\$ 3,918,085	\$ 1,787,703	\$ 799,664	\$ 908,601
							\$ 6,628,294

ALGIERS CHARTER SCHOOLS ASSOCIATION
SCHEDULE OF FINANCIAL POSITION BY SCHOOL (CONTINUED)
June 30, 2011 and 2010 (Totals Only)

ASSETS	2011										Restated	
	Special Revenue Funds										2010	
	Central Office	ATA	Behrman	Eisenhower	Fischer	McDonogh	Tubman	Walker	Interfund Eliminations	Total	Total	Total
Current Assets:												
Cash and cash equivalents	\$ -	\$ 756	\$ 6,243	\$ 5,056	\$ 1,337	\$ 2,764	\$ 1,953	\$ 1,813	\$ -	\$ 12,470,448	\$ 11,742,547	
Intergovernmental receivables	21,830	514,238	899,634	801,045	622,311	647,160	764,229	1,244,266	-	5,524,733	6,025,972	
Other receivables	-	-	-	-	-	-	-	-	-	166,751	124,994	
Prepaid expenses	-	-	-	-	-	-	-	-	-	-	127,655	
Due from pooled cash	21,388	-	10,873	3,340	-	-	6,169	26,559	(16,247,357)	45,069	-	
Total Current Assets	43,238	514,994	916,750	809,441	623,648	649,924	772,351	1,282,638	(16,247,357)	18,207,001	18,021,168	
Other Assets:												
Deposits	-	-	-	-	-	-	-	-	-	6,700	6,700	
Total Other Assets	-	-	-	-	-	-	-	-	-	6,700	6,700	
Non-Current Assets:												
Property and equipment (net of accumulated depreciation)	-	115,047	210,469	207,985	173,378	40,222	124,754	481,701	-	1,722,109	2,918,530	
Total Assets	\$ 43,238	\$ 630,041	\$ 1,127,219	\$ 1,017,426	\$ 797,026	\$ 690,146	\$ 897,105	\$ 1,764,339	\$ (16,247,357)	\$ 19,935,810	\$ 20,946,398	
LIABILITIES AND NET ASSETS												
Current Liabilities:												
Accounts payable and accrued expenses	\$ -	\$ 3,293	\$ 8,974	\$ 12,240	\$ 10,591	\$ 6,423	\$ 4,599	\$ 20,933	\$ -	\$ 3,029,760	\$ 3,947,288	
Due to other governments	-	-	-	-	-	-	-	-	-	236,799	165,301	
Due to other agencies	-	-	-	-	-	-	-	-	-	979,836	444,826	
Deferred revenues	-	5,000	5,000	5,000	5,000	5,000	-	-	-	74,474	33,910	
Due to pooled cash	126,712	564,440	814,870	769,308	499,820	611,470	616,558	990,509	(16,247,357)	-	561,099	
Total Current Liabilities	126,712	572,733	828,844	786,548	515,411	622,893	621,157	1,011,442	(16,247,357)	4,320,869	5,232,424	
Net Assets:												
Reserved for capital assets	-	115,047	210,469	207,985	173,378	40,222	124,754	481,701	-	1,722,109	2,918,530	
Unrestricted	(83,474)	(57,739)	87,906	22,893	108,237	27,031	151,194	271,196	-	13,892,832	12,775,444	
Total Net Assets	(83,474)	57,308	298,375	230,878	281,615	67,253	275,948	752,897	-	15,614,941	15,693,974	
Total Liabilities and Net Assets	\$ 43,238	\$ 630,041	\$ 1,127,219	\$ 1,017,426	\$ 797,026	\$ 690,146	\$ 897,105	\$ 1,764,339	\$ (16,247,357)	\$ 19,935,810	\$ 20,946,398	

ALGIERS CHARTER SCHOOLS ASSOCIATION
SCHEDULE OF ACTIVITIES BY SCHOOL
For the Years Ended June 30, 2011 and 2010 (Totals Only)

2011

	School Funds							
	Central Office	ATA	Behrman	Eisenhower	Fischer	McDonogh	Tubman	Walker
UNRESTRICTED NET ASSETS								
Public Support and Other Revenues								
Unrestricted grants in aid - State	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted grants in aid - Federal and State	-	2,089	1,257	2,477	-	6,296	12,145	57,405
Donations	19,368	1,071	-	1,071	-	1,071	-	926
Minimum Foundation Program	-	2,581,555	4,655,157	4,464,096	3,470,046	4,192,933	3,484,112	7,284,739
Miscellaneous revenue	40,240	301,403	85,233	67,128	70,719	73,991	84,865	106,147
Total Public Support and Other Revenues	59,608	2,886,118	4,741,647	4,534,772	3,540,765	4,274,291	3,581,122	7,449,217
Expenses								
Program Services:								
Instructional	45,067	913,456	2,464,104	2,372,866	1,571,411	2,005,862	1,843,652	3,540,135
Supporting services:								
Management and general	2,371,148	1,540,445	2,031,695	1,990,626	1,606,236	1,718,977	1,814,804	3,316,089
Total Expenses	2,416,215	2,453,901	4,495,799	4,363,492	3,177,647	3,724,839	3,658,456	6,856,224
Increase/(Decrease) in								
unrestricted net assets	(2,356,607)	432,217	245,848	171,280	363,118	549,452	(77,334)	592,993
Net assets at beginning of fiscal year, previous	(9,671,581)	24,362	4,049,554	5,187,052	2,519,465	1,419,416	2,180,514	8,104,392
Prior period adjustment	9,671,581	(539,941)	(1,600,871)	(1,545,592)	(1,214,989)	(1,202,238)	(1,236,666)	(2,331,284)
Net assets at beginning of fiscal year, as restated	-	(515,579)	2,448,683	3,641,460	1,304,476	217,178	943,848	5,773,108
Net assets at end of fiscal year	\$ (2,356,607)	\$ (83,362)	\$ 2,694,531	\$ 3,812,740	\$ 1,667,594	\$ 766,630	\$ 866,514	\$ 6,366,101

ALGIERS CHARTER SCHOOLS ASSOCIATION
SCHEDULE OF ACTIVITIES BY SCHOOL
For the Years Ended June 30, 2011 and 2010 (Totals Only)

	2011							Restated 2010	
	Special Revenue Funds								
	Central Office	ATA	Behrman	Eisenhower	Fischer	McDonogh	Tubman	Walker	Total
UNRESTRICTED NET ASSETS									
Public Support and Other Revenues									
- Unrestricted grants in aid - State	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted grants in aid - Federal and State	149,412	1,250,079	1,990,768	1,818,330	1,499,968	1,779,079	1,983,412	2,134,351	\$ 12,707,068
Donations	-	-	-	-	-	-	-	-	\$ 23,507
Minimum Foundation Program	-	50,345	14,611	27,388	14,737	21,142	6,953	49,210	\$ 30,317,044
Miscellaneous revenue	-	284,954	144,227	133,749	128,260	47,159	87,807	287,036	\$ 1,942,918
									776,254
Total Public Support and Other Revenues	149,412	1,585,378	2,149,606	1,979,467	1,642,985	1,847,380	2,078,172	2,490,597	44,990,537
									43,532,041
Expenses									
Program Services:									
Instructional	8,337	876,078	1,228,876	1,304,486	842,389	1,171,374	1,294,333	1,816,235	23,298,661
Supporting services:									
Management and general	141,075	709,300	920,730	674,981	800,596	676,006	783,839	674,362	21,770,909
									19,535,637
Total Expenses	149,412	1,585,378	2,149,606	1,979,467	1,642,985	1,847,380	2,078,172	2,490,597	45,069,570
									43,504,969
Increase/(Decrease) in									
unrestricted net assets	-	-	-	-	-	-	-	-	(79,033)
									27,072
Net assets at beginning of fiscal year	(83,474)	57,308	298,375	230,878	281,615	67,253	275,948	752,897	15,693,974
									15,666,902
Prior period adjustment	-	-	-	-	-	-	-	-	-
Net assets at beginning of fiscal year, as restated	(83,474)	57,308	298,375	230,878	281,615	67,253	275,948	752,897	15,666,902
Net assets at end of fiscal year	\$ (83,474)	\$ 57,308	\$ 298,375	\$ 230,878	\$ 281,615	\$ 67,253	\$ 275,948	\$ 752,897	\$ 15,614,941
									\$ 15,693,974

ALGIERS CHARTER SCHOOLS ASSOCIATION
SCHEDULE OF FUNCTIONAL EXPENSES BY SCHOOL
For the Years Ended June 30, 2011 and 2010 (Totals Only)

Expenses	2011								(Restated)	2010
	School Funds									
	Central Office	ATA	Behman	Eisenhower	Fischer	McDonogh	Tubman	Walker		
Salaries and benefits	\$ 1,725,135	\$ 1,439,158	\$ 3,206,672	\$ 3,104,587	\$ 2,258,047	\$ 2,857,781	\$ 2,671,494	\$ 4,750,333		
Professional services	354,220	172,212	228,999	177,062	117,734	204,361	196,591	358,927		
Travel	23,624	3,643	8,263	20,296	3,189	5,251	8,794	6,983		
Supplies	81,804	35,851	42,499	45,318	23,236	22,938	41,618	184,899		
Utilities	60,342	124,080	140,494	93,665	68,944	79,903	60,814	202,933		
Rent	134,676	9,398	7,228	14,940	6,823	11,957	9,514	16,622		
Insurance	4,131	11,003	19,782	18,637	22,688	16,803	13,773	29,481		
Repairs and maintenance	1,945	98,134	183,562	106,534	112,872	100,752	119,289	298,332		
Food service management	-	-	-	-	-	-	-	-		
Transportation	-	322,740	323,396	469,157	218,403	252,279	285,184	469,571		
Depreciation Expense	24,622	10,445	31,224	26,092	14,249	13,114	33,131	37,436		
Other	5,716	227,237	303,680	287,204	331,462	159,700	218,254	520,707		
Total Expenses	\$ 2,416,215	\$ 2,453,901	\$ 4,495,799	\$ 4,363,492	\$ 3,177,647	\$ 3,724,839	\$ 3,658,456	\$ 6,856,224		
Expenses	Special Revenue Funds								Total	
	2011									
	Central Office	ATA	Behman	Eisenhower	Fischer	McDonogh	Tubman	Walker		
Salaries and benefits	\$ 3,632	\$ 924,716	\$ 1,417,853	\$ 1,240,097	\$ 1,123,060	\$ 1,247,964	\$ 1,477,084	\$ 1,597,834	\$ 31,025,447	
Professional services	27,367	54,298	72,987	103,077	28,766	92,234	64,531	73,321	\$ 2,326,687	
Travel	5,816	31,867	36,483	54,828	10,182	9,523	13,279	11,914	\$ 253,935	
Supplies	82,633	118,172	83,726	103,075	44,061	101,558	92,457	209,480	\$ 1,313,325	
Utilities	-	18,537	10,494	6,426	9,073	9,795	5,356	13,084	\$ 903,940	
Rent	-	649	1,437	2,290	840	1,287	5,046	1,748	\$ 224,455	
Insurance	-	-	1,788	1,788	1,788	1,788	-	-	\$ 145,238	
Repairs and maintenance	-	3,171	6,294	8,024	6,692	7,821	6,243	11,887	\$ 1,071,552	
Food service management	-	107,928	299,188	279,907	252,633	258,617	252,503	201,516	\$ 1,652,292	
Transportation	936	111	16,302	595	2,534	17,400	9,602	111	\$ 2,388,321	
Depreciation Expense	-	105,255	118,829	112,116	94,566	28,211	69,671	285,223	\$ 1,004,184	
Other	29,029	220,674	84,224	67,244	68,790	71,181	80,613	84,479	\$ 2,760,194	
Total Expenses	\$ 149,413	\$ 1,585,378	\$ 2,149,605	\$ 1,979,467	\$ 1,642,985	\$ 1,847,379	\$ 2,078,173	\$ 2,490,597	\$ 45,069,570	
									\$ 43,504,969	

**OMB CIRCULAR A-133 COMPLIANCE AND
GOVERNMENT AUDITING STANDARDS REPORTS**



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**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Board of Directors of
Algiers Charter Schools Association

We have audited the Statement of Financial Position and the related Statements of Activities, Cash Flows and Functional Expenses of Algiers Charter Schools Association ("ACSA") as of and for the year ended June 30, 2011, and have issued our report thereon dated December 28, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered ACSA's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of ACSA's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of ACSA's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

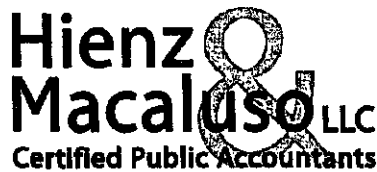
As part of obtaining reasonable assurance about whether ACSA's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of ACSA's Finance Committee, management, the State of Louisiana Legislative Auditor, federal awarding agencies, state funding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Hienz & Macaluso, LLC

Metairie, LA

December 28, 2011



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**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO
EACH MAJOR FEDERAL AWARDS PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

Board of Directors of
Algiers Charter Schools Association

Compliance

We have audited the compliance of Algiers Charter Schools Association ("ACSA"), with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2011. ACSA's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of ACSA's management. Our responsibility is to express an opinion on ACSA's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about ACSA's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of ACSA's compliance with those requirements.

In our opinion, ACSA, complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011.

Internal Control Over Compliance

Management of ACSA is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered ACSA's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of ACSA's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of Algiers Charter Schools Association's Finance Committee, management, the State of Louisiana Legislative Auditor, federal awarding agencies, state funding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Hienz & Macaluso, LLC
Metairie, LA

December 28, 2011

ALGIERS CHARTER SCHOOLS ASSOCIATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2011

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Disbursements/ Expenditures</u>
<u>U.S. Department of Education</u>		
Direct Programs:		
Emergency Management System	84.184	5,700
Teaching American History	84.215	139,925
Passed-Through State Department of Education:		
ESEA of 1965, Title I, Part A	84.010	3,221,777
ESEA of 1965, Title I, SIP 1003(a)	84.010	833,192
ESEA of 1965, Title I, SIP 1003(g)	84.377	21,614
ESEA of 1965, Title I, ARRA	84.389	2,680
ESEA of 1965, Title II, Part A	84.367	425,075
English Language Acquisition Grants, Title III	84.365	2,010
ESEA of 1965, Title IV, Part A	84.186	2,287
IDEA, Part B	84.027	871,164
IDEA, Pre-K	84.173	41,239
21st Century	84.287	133,007
Charter Schools	84.282	51,421
IDEA, Part B ARRA	84.391	108,772
IDEA, Pre-K ARRA	84.392	6,750
Homeless, ARRA	84.387	38
Education Jobs Fund	84.410	650,299
Enhancing Education Through Technology	84.318	34,800
Hurricane Katrina Foreign Contributions	84.940	1,151
Learn and Serve America	94.004	6,757
Hurricane Educator Assistance Program	84.938	3,500
Passed-Through National Institute for Excellence in Teaching:		
Teacher Incentive Fund	84.374	2,945,923
TOTAL U.S. DEPARTMENT OF EDUCATION		<u>9,509,082</u>

ALGIERS CHARTER SCHOOLS ASSOCIATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2011

U.S. Department of Agriculture

Passed-Through State Department of Agriculture:

National School Lunch Program

Free and Reduced Price Meals

10.555

1,710,287

TOTAL U.S. DEPARTMENT OF AGRICULTURE

1,710,287

U.S. Department of Health and Human Services

Passed-Through State Department of Health and Human Services:

LA 4 - TANF

93.558

965,541

TOTAL U.S. DEPARTMENT OF HEALTH
AND HUMAN SERVICES

965,541

Other Programs

Passed-Through Alvin Callender Air Force Base:

Reserve Officer Training Corp. (ROTC)

99.999

45,796

TOTAL OTHER PROGRAMS

45,796

TOTAL FEDERAL ASSISTANCE

12,230,706

The accompanying footnotes to Schedule of Expenditures of Federal Awards are an integral part of this schedule.

**ALGIERS CHARTER SCHOOLS ASSOCIATION
NOTES TO THE SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
Year Ended June 30, 2011**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of Federal Awards includes the federal grant activity of ACSA and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations".

2. ACCRUED AND DEFERRED REIMBURSEMENT

Various reimbursement procedures are used for federal awards received by ACSA. Consequently, timing differences between expenditures and program reimbursements can exist at the beginning and the end of the year.

3. PAYMENTS TO SUBRECIPIENTS

There were no payments to subrecipients for the year ended June 30, 2011.

**ALGIERS CHARTER SCHOOLS ASSOCIATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2011**

A. SUMMARY OF AUDIT RESULTS

1. The independent auditors' report expresses an unqualified opinion on the financial statements of Algiers Charter Schools Association.
2. No control deficiencies were disclosed during the audit of the financial statements of Algiers Charter Schools Association.
3. No instances of noncompliance material to the financial statements of Algiers Charter Schools Association were noted.
4. No control deficiencies relating to the audit of the major federal award programs are reported in the *Independent Auditors' Report on Compliance with Requirements Applicable to Each Major Federal Award Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133*.
5. The auditors' report on compliance with requirements applicable to major federal award programs for Algiers Charter Schools Association expresses an unqualified opinion.
6. The auditors' report disclosed no findings that were required to be reported in accordance with Section 510(a) of OMB Circular A-133.
7. A management letter was not issued for the year ended June 30, 2011.
8. The programs tested as major programs were:

	<u>CFDA No.</u>
ESEA of 1965, Title I, Part A	84.010
ESEA of 1965, Title I, Part A, Recovery Act	84.389
LA-4 TANF	93.558
Education Jobs Fund	84.410
Special Education Grants to States	84.027
Special Education Preschool Grants	84.173
Special Education Grants to States, Recovery Act	84.391
Special Education Preschool Grants, Recovery Act	84.392

9. The threshold for distinguishing between type A and type B programs was \$366,921.
10. Algiers Charter Schools Association was determined to not be a low-risk auditee.

**ALGIERS CHARTER SCHOOLS ASSOCIATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2011**

B. FINDINGS RELATED TO THE FINANCIAL STATEMENTS

There were no findings required to be reported in this section.

C. FINDINGS AND QUESTIONED COSTS RELATED TO MAJOR FEDERAL AWARD PROGRAMS

There were no findings required to be reported in this section.

**ALGIERS CHARTER SCHOOLS ASSOCIATION
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2011**

SECTION I – FINDINGS RELATED TO THE FINANCIAL STATEMENTS

Finding 2010-1 Fixed Assets	Resolved
Finding 2010-2 School Activity Accounts	Resolved
Finding 2010-3 Food Service Accounts	Resolved
Finding 2010-4 Check Signing	Resolved

**SECTION II – FINDINGS AND QUESTIONED COSTS RELATED TO MAJOR
FEDERAL AWARD PROGRAMS**

There were no findings required to be reported in this section.

SECTION III – MANAGEMENT LETTER

A management letter was not issued for the year ended June 30, 2010.

PERFORMANCE STATISTICAL DATA



ROBERT W. HIENZ, C.P.A.
ANTHONY J. MACALUSO, JR., C.P.A.

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Board of Directors
Algiers Charter Schools Association
New Orleans, Louisiana

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of Algiers Charter Schools Association ("ACSA") and the Legislative Auditor, State of Louisiana, solely to assist users in evaluating management's assertions about the accompanying performance and statistical data and to determine whether the specified schedules are free of obvious errors and omissions as provided by the Board of Elementary and Secondary Education (BESE). This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings related to the accompanying schedules of supplemental information and are as follows:

PROCEDURES AND FINDINGS

General Fund Instructional and Support Expenditures and Certain Local Revenue Sources (Schedule 1)

1. We selected a random sample of 25 transactions and reviewed supporting documentation to determine if the sampled expenditures/revenues are classified correctly and are reported in the proper amounts for each of the following reported on the schedule:
 - ❖ Total General Fund Instructional Expenditures;
 - ❖ Total General Fund Equipment Expenditures;
 - ❖ Total Local Taxation Revenues;
 - ❖ Total Local Earnings on Investment in Real Property;
 - ❖ Total State Revenue in Lieu of Taxes;
 - ❖ Nonpublic Textbook Revenue; and
 - ❖ Nonpublic Transportation Revenue.

We reviewed the supporting documentation for the selected transactions and determined that they were classified correctly and reported in the proper amounts on the appropriate schedule.

Education Levels of Public School Staff (Schedule 2)

2. We reconciled the total number of full-time classroom teachers per the schedule "Experience of Public Principals, Assistant Principals, and Full-Time Classroom Teachers" (Schedule 4) to the combined total number of full-time classroom teachers per this schedule and to school board supporting payroll records as of October 1, 2010.

No differences were noted.

3. We reconciled the combined total of principals and assistant principals per the schedule "Experience of Public Principals, Assistant Principals, and Full-Time Classroom Teachers" (Schedule 4) to the combined total of principals and assistant principals per this schedule.

No differences were noted.

4. We obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1, 2010 as reported on the schedule. We traced a random sample of 25 teachers to their respective personnel file and determined if their education level was properly classified on the schedule.

The education levels were properly reported.

Number and Type of Public Schools (Schedule 3)

5. We compared the list of schools by type as reported on the schedule. We compared the list to the schools and grade levels as reported on the Title I Grants to Local Educational Agencies (CFDA 84.010) application and/or the National School Lunch Program (CFDA 10.555) application.

No differences were noted.

Experience of Public Principals, Assistant Principals, and Full-Time Classroom Teachers (Schedule 4)

6. We obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1, 2010 and as reported on the schedule and traced the same sample used in procedure 4 to the individual's personnel file and determined if the individual's experience was properly classified on the schedule.

No differences were noted.

Public School Staff Data (Schedule 5)

7. We obtained a listing of all classroom teachers including their base salary, extra compensation, and ROTC or rehired retiree status as well as full-time equivalent as reported on the schedule and a random sample of 25 teachers to their personnel file and determined if their salary, extra compensation, and full-time equivalents were properly included on the schedule.

No differences were noted.

8. For all 25 teachers, we recalculated the average salaries and full-time equivalents reported in the schedule.

No differences were noted.

Class Size Characteristics (Schedule 6)

9. We obtained a list of classes by school, school type and class size as reported on the schedule and reconciled school type classifications to Schedule 3 data, as obtained in procedure 5. We then traced a sample of ten classes to computerized summary reports of the October 1st roll books for those classes and determined if the class was properly classified in the schedule.

No differences were noted.

Louisiana Educational Assessment Program (LEAP) for The 21st Century (Schedule 7)

10. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by ACSA.

No differences were noted.

The Graduation Exit Exam for the 21st Century (Schedule 8)

11. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by ACSA.

No differences were noted.

The iLEAP Tests (Schedule 9)

12. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by ACSA.

No differences were noted

We were not engaged to, and did not perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of Algiers Charter Schools Association, the Louisiana Department of Education, the Louisiana Legislature, and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Hienz & Macalusa, LLC

Metairie, LA

December 28, 2011

ALGIERS CHARTER SCHOOL ASSOCIATION

New Orleans, Louisiana

Schedule 1**General Fund Instructional and Support Expenditures
and Certain Local Revenue Sources
For the Year Ended June 30, 2011****General Fund Instructional and Equipment Expenditures****General Fund Instructional Expenditures:****Teacher and Student Interaction Activities:**

Classroom Teacher Salaries	8,910,363	
Other Instructional Staff Activities	1,193,100	
Employee Benefits	3,191,460	
Purchased Professional and Technical Services	205,044	
Instructional Materials and Supplies	189,001	
Less: Instructional Equipment	(981)	
Total Teacher and Student Interaction Activities		\$ 13,687,987.50

Other Instructional Activities \$ 221,479.68

Pupil Support Activities	2,126,664	
Less: Equipment for Pupil Support Activities	-	
Net Pupil Support Activities		\$ 2,126,663.63

Instructional Staff Services	785,045	
Less: Equipment for Instructional Staff Services	(64)	
Net Instructional Staff Services		\$ 784,980.73

School Administration	3,531,610	
Less: Equipment for School Administration	-	
Net School Administration		\$ 3,531,610.50

Total General Fund Instructional Expenditures \$ 20,352,722.04

Total General Fund Equipment Expenditures \$ -

Certain Local Revenue Sources

Note: Algiers Charter Schools Association, Inc. receives local revenues from the Orleans Parish School Board. ACSA does not receive a detailed schedule of the source of these revenues. This section is not applicable to charter schools.

Schedule 2

ALGIERS CHARTER SCHOOLS ASSOCIATION

New Orleans, Louisiana

Education Levels of Public School Staff

As of October 1, 2010

Category	Full-time Classroom Teachers				Principals & Assistant Principals			
	Certificated		Uncertificated		Certificated		Uncertificated	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than a Bachelor's Degree	1	0%	0	0%	0	0%	0	0%
Bachelor's Degree	156	68%	12	86%	0	0%	0	0%
Master's Degree	64	28%	2	14%	10	53%	0	0%
Master's Degree + 30	8	3%	0	0%	7	37%	0	0%
Specialist in Education	0	0%	0	0%	1	5%	0	0%
Ph. D. or Ed. D.	2	1%	0	0%	1	5%	0	0%
Total	231	100%	14	100%	19	100%	0	0%

Schedule 3**ALGIERS CHARTER SCHOOLS ASSOCIATION**
New Orleans, Louisiana**Number and Type of Public Schools**
For the Year Ended June 30, 2010

Type	Number
Elementary	5
Middle Jr. High	0
Secondary	2
Combination	0
Total	7

Schedule 4

ALGIERS CHARTER SCHOOLS ASSOCIATION
New Orleans, Louisiana

Experience of Public Principals, Assistant Principals, and Full time Classroom Teachers
As of October 1, 2010

	0-1 Yr.	2-3 Yrs.	4-10 Yrs.	11-14 Yrs.	15-19 Yrs.	20-24 Yrs.	25+ Yrs.	Total
Assistant Principals	0	0	1	4	4	2	1	12
Principals	0	0	1	0	3	1	2	7
Classroom Teachers	36	35	71	29	22	19	33	245
Total	36	35	73	33	29	22	36	264

Schedule 5

ALGIERS CHARTER SCHOOLS ASSOCIATION
New Orleans, Louisiana

Public School Staff Data: Average Salaries
For the Year Ended June 30, 2010

	All Classroom Teachers	Classroom Teachers Excluding ROTC, Rehired Retirees, and Flagged Salary Reductions
Average Classroom Teachers Salary Including Extra Compensation	\$46,210.54	\$46,084.76
Average Classroom Teachers Salary Excluding Extra Compensation	\$44,094.30	\$43,959.84
Number of Teacher Full-Time Equivalents (FTEs) used in Computation of Average Salaries	245	244

ALGIERS CHARTER SCHOOLS ASSOCIATION
New Orleans, Louisiana

Class Size Characteristics
As of October 1, 2010

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	30.5%	189	59%	366	10.5%	65	0%	
Elementary Activity Class	25.7%	9	66%	23	5.7%	2	2.9%	1
Middle High								
Middle High Activity Class								
High	49.0%	192	21%	84	26.5%	104	3.1%	12
High Activity Class	48.6%	17	20%	7	14.3%	5	17.1%	6
Combination								
Combination Activity Class								

ALGIERS CHARTER SCHOOLS ASSOCIATION
New Orleans, Louisiana

Louisiana Educational Assessment Program (LEAP)
For the Year Ended June 30, 2011

District Achievement Level Results	English Language Arts						Mathematics					
	2011		2010		2009		2011		2010		2009	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 4												
Advanced	18	6%	18	5%	3	1%	12	4%	5	2%	2	1%
Mastery	51	17%	40	13%	33	11%	37	12%	64	18%	18	5%
Basic	122	41%	144	48%	143	46%	127	43%	135	45%	124	40%
Approaching Basic	65	22%	51	17%	80	26%	60	20%	52	17%	85	27%
Unsatisfactory	44	15%	48	16%	51	16%	62	21%	52	17%	83	27%
Total	297	100%	298	100%	310	100%	298	100%	298	100%	310	100%

District Achievement Level Results	Science						Social Studies					
	2011		2010		2009		2011		2010		2009	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 4												
Advanced	4	1%	4	1%	5	2%	9	3%	2	1%	1	0%
Mastery	30	10%	28	9%	18	6%	41	14%	37	12%	23	7%
Basic	85	29%	109	36%	103	33%	118	40%	132	44%	107	35%
Approaching Basic	114	38%	97	32%	111	36%	64	21%	66	22%	89	29%
Unsatisfactory	65	22%	61	20%	72	23%	66	22%	62	21%	90	29%
Total	298	100%	299	100%	309	100%	298	100%	299	100%	310	100%

District Achievement Level Results	English Language Arts						Mathematics					
	2011		2010		2009		2011		2010		2009	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 8												
Advanced	12	6%	8	2%	0	0%	10	5%	2	1%	3	1%
Mastery	34	18%	22	8%	9	4%	15	7%	9	3%	6	3%
Basic	102	48%	113	39%	117	48%	123	57%	140	48%	111	46%
Approaching Basic	62	29%	113	39%	92	38%	39	18%	71	24%	65	27%
Unsatisfactory	4	2%	37	13%	21	9%	27	13%	69	24%	54	23%
Total	214	100%	291	100%	239	100%	214	100%	291	100%	239	100%

District Achievement Level Results	Science						Social Studies					
	2011		2010		2009		2011		2010		2009	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 8												
Advanced	4	2%	0	0%	1	0%	2	1%	0	0%	0	0%
Mastery	30	14%	7	2%	11	5%	38	18%	7	2%	3	1%
Basic	73	34%	92	31%	70	29%	88	41%	102	35%	73	31%
Approaching Basic	71	33%	122	41%	88	38%	57	27%	100	34%	82	34%
Unsatisfactory	37	17%	74	25%	71	30%	30	14%	66	29%	81	34%
Total	215	100%	295	100%	239	100%	215	100%	295	100%	239	100%

ALGIERS CHARTER SCHOOLS ASSOCIATION
New Orleans, Louisiana

Graduation Exit Examination (GEE)
For the Year Ended June 30, 2011

District Achievement Level Results	English Language Arts						Mathematics					
	2011		2010		2009		2011		2010		2009	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 10												
Advanced	1	0%	1	0%	0	0%	8	3%	8	3%	9	4%
Mastery	6	2%	11	4%	4	2%	91	30%	42	15%	27	11%
Basic	180	57%	93	33%	94	36%	145	48%	139	49%	131	52%
Approaching Basic	90	29%	96	34%	87	37%	28	9%	27	9%	44	17%
Unsatisfactory	37	12%	82	29%	68	26%	30	10%	70	24%	42	17%
Total	314	100%	283	100%	263	100%	302	100%	286	100%	253	100%

District Achievement Level Results	Science						Social Studies					
	2011		2010		2009		2011		2010		2009	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 11												
Advanced	10	3%	0	0%	3	1%	2	1%	1	0%	0	0%
Mastery	49	17%	18	7%	12	5%	22	8%	10	4%	12	5%
Basic	144	50%	118	47%	65	26%	202	70%	157	64%	95	37%
Approaching Basic	52	18%	60	24%	78	31%	40	14%	37	15%	75	30%
Unsatisfactory	33	11%	53	21%	96	38%	23	8%	41	17%	72	28%
Total	288	100%	247	100%	254	100%	289	100%	246	100%	254	100%

ALGIERS CHARTER SCHOOLS ASSOCIATION
New Orleans, Louisiana

Schedule 9

Iowa and ILEAP Tests
For the Year Ended June 30, 2011

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2009		2009		2009		2009	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 3								
Advanced	8	3.1%	5	1.9%	8	2.3%	3	1.1%
Mastery	42	16.1%	24	9.2%	23	6.8%	24	9.2%
Basic	75	28.7%	87	33.3%	73	28.1%	93	35.6%
Approaching Basic	69	26.4%	67	25.7%	98	38.9%	72	27.6%
Unsatisfactory	67	25.7%	78	29.9%	62	23.8%	69	26.4%
Total	261	100.0%	261	100.0%	260	100.0%	261	100.0%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2009		2009		2009		2009	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 5								
Advanced	2	1.0%	3	1.4%	1	0.5%	0	0.0%
Mastery	19	9.2%	8	3.8%	11	5.3%	15	7.2%
Basic	98	47.3%	96	46.4%	65	31.4%	98	48.4%
Approaching Basic	57	27.5%	49	23.7%	75	36.2%	58	28.0%
Unsatisfactory	31	15.0%	51	24.6%	55	26.6%	38	18.4%
Total	207	100.0%	207	100.0%	207	100.0%	207	100.0%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2009		2009		2009		2009	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 6								
Advanced	0	0.0%	1	0.5%	0	0.0%	0	0.0%
Mastery	22	10.0%	11	5.0%	4	1.8%	1	0.5%
Basic	91	41.2%	97	43.7%	79	36.4%	92	42.2%
Approaching Basic	65	29.4%	50	22.5%	85	39.2%	74	33.8%
Unsatisfactory	43	19.5%	63	28.4%	49	22.6%	51	23.4%
Total	221	100.0%	222	100.0%	217	100.0%	218	100.0%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2009		2009		2009		2009	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 7								
Advanced	2	0.8%	2	0.8%	1	0.4%	1	0.4%
Mastery	13	5.2%	10	4.0%	10	4.0%	8	3.2%
Basic	89	35.3%	98	38.9%	75	29.9%	101	40.1%
Approaching Basic	88	34.9%	55	21.8%	105	41.8%	89	35.3%
Unsatisfactory	60	23.8%	87	34.5%	60	23.9%	53	21.0%
Total	252	100.0%	252	100.0%	251	100.0%	252	100.0%

District Achievement Level Results	English Language Arts		Mathematics	
	2009		2009	
Students	Number	Percent	Number	Percent
Grade 9				
Advanced	0	0.0%	1	0.4%
Mastery	3	1.2%	20	7.9%
Basic	119	47.0%	141	56.0%
Approaching Basic	85	33.6%	43	17.1%
Unsatisfactory	46	18.2%	47	18.7%
Total	253	100.0%	252	100.0%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2010		2010		2010		2010	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 3								
Advanced	11	3.8%	4	1.4%	1	0.3%	4	1.4%
Mastery	51	17.8%	28	9.1%	18	6.3%	32	11.2%
Basic	94	32.9%	104	36.4%	107	37.4%	104	36.5%
Approaching Basic	61	21.3%	77	26.9%	100	35.0%	80	28.1%
Unsatisfactory	69	24.1%	75	26.2%	60	21.0%	65	22.8%
Total	286	100.0%	286	100.0%	286	100.0%	285	100.0%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2010		2010		2010		2010	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 5								
Advanced	2	0.7%	1	0.4%	0	0.0%	3	1.1%
Mastery	18	6.5%	15	5.5%	5	1.8%	10	3.6%
Basic	97	35.3%	88	32.0%	84	30.5%	111	40.4%
Approaching Basic	106	38.5%	71	25.8%	113	41.1%	87	31.6%
Unsatisfactory	52	18.9%	100	36.4%	73	26.5%	64	23.3%
Total	275	100.0%	275	100.0%	275	100.0%	275	100.0%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2010		2010		2010		2010	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 6								
Advanced	3	1.3%	3	1.3%	1	0.4%	2	0.8%
Mastery	20	8.4%	15	6.3%	14	5.9%	10	4.2%
Basic	106	44.7%	115	48.5%	99	41.8%	107	45.1%
Approaching Basic	75	31.6%	48	20.3%	89	37.6%	70	29.5%
Unsatisfactory	33	13.9%	56	23.6%	34	14.3%	48	20.3%
Total	237	100.0%	237	100.0%	237	100.0%	237	100.0%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2010		2010		2010		2010	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 7								
Advanced	2	0.9%	2	0.9%	0	0.0%	0	0.0%
Mastery	24	10.9%	10	4.5%	16	7.2%	5	2.3%
Basic	113	51.1%	105	47.5%	71	32.1%	111	50.2%
Approaching Basic	60	27.1%	63	28.5%	93	42.1%	61	27.6%
Unsatisfactory	22	10.0%	41	18.6%	41	18.6%	44	19.9%
Total	221	100.0%	221	100.0%	221	100.0%	221	100.0%

District Achievement Level Results	English Language Arts		Mathematics	
	2010		2010	
Students	Number	Percent	Number	Percent
Grade 9				
Advanced	1	0.4%	1	0.4%
Mastery	4	1.7%	8	3.4%
Basic	98	41.7%	119	50.9%
Approaching Basic	94	40.0%	54	23.1%
Unsatisfactory	38	16.2%	52	22.2%
Total	235	100.0%	234	100.0%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2011		2011		2011		2011	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 3								
Advanced	25	8.3%	10	3.3%	17	5.7%	15	5.0%
Mastery	42	14.0%	47	15.7%	34	11.3%	35	11.7%
Basic	92	30.7%	90	30.0%	88	29.3%	96	32.0%
Approaching Basic	71	23.7%	73	24.3%	88	29.3%	81	27.0%
Unsatisfactory	70	23.3%	80	26.7%	73	24.3%	73	24.3%
Total	300	100.0%	300	100.0%	300	100.0%	300	100.0%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2011		2011		2011		2011	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 5								
Advanced	7	2.7%	9	3.5%	4	1.6%	3	1.2%
Mastery	48	18.8%	37	14.5%	14	5.5%	18	7.0%
Basic	101	39.6%	101	39.6%	83	32.4%	110	43.0%
Approaching Basic	67	26.2%	50	19.5%	112	43.8%	63	24.6%
Unsatisfactory	33	12.9%	69	23.0%	43	16.8%	62	24.2%
Total	256	100.0%	256	100.0%	256	100.0%	256	100.0%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2011		2011		2011		2011	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 6								
Advanced	1	0.4%	7	2.6%	1	0.4%	5	1.8%
Mastery	15	5.5%	14	5.1%	16	5.8%	13	4.7%
Basic	125	45.8%	119	43.6%	119	43.4%	124	45.3%
Approaching Basic	94	34.4%	71	26.0%	107	39.1%	87	31.8%
Unsatisfactory	38	13.9%	62	22.7%	31	11.3%	45	16.4%
Total	273	100.0%	273	100.0%	274	100.0%	274	100.0%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2011		2011		2011		2011	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 7								
Advanced	12	5.0%	6	2.5%	1	0.4%	0	0.0%
Mastery	29	12.1%	13	5.4%	29	12.1%	29	12.1%
Basic	111	46.4%	110	46.0%	88	36.8%	110	46.0%
Approaching Basic	63	26.4%	68	28.5%	79	33.1%	52	21.8%
Unsatisfactory	24	10.0%	42	17.6%	42	17.6%	48	20.1%
Total	239	100.0%	239	100.0%	239	100.0%	239	100.0%

District Achievement Level Results	English Language Arts		Mathematics	
	2011		2011	
Students	Number	Percent	Number	Percent
Grade 9				
Advanced	1	0.5%	1	0.5%
Mastery	3	1.5%	7	3.5%
Basic	83	41.9%	97	48.7%
Approaching Basic	80	40.4%	48	24.1%
Unsatisfactory	31	15.7%	46	23.1%
Total	198	100.0%	198	100.0%